The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

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SATURDAY, OCTOBER 3, 1931 VOLUME 58, NUMBER 5

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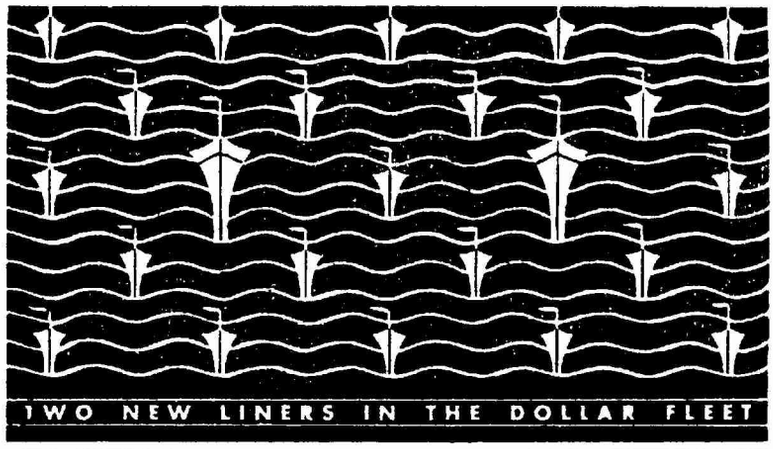

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Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

VOLUME 58 SHANGHAI, CHINA, SATURDAY, OCTOBER 3, 1931 NUMBER 5

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWINGSHANGHAI"

PUBLISHED AT NO. 88 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIEH-SHIANG, Asst. Editor; ROY P. MACNAIR, JR. Advertising Manager; F. K. CHAO, Business Dept.

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 38 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS" COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

WASHINGTON OFFICE

J. J. Underwood—Correspondent

Colorado Building, Washington, D. C.

DASTARDLY ATTACK ON CHINA'S FOREIGN MINISTER

THERE are no words too strong to condemn the conduct of the mob of unruly students who made a cowardly attack upon Dr. C. T. Wang, China's Foreign Minister, as he sat at his desk last Monday morning. These students dishonored their country, their civilization and their movement; they are worse enemies of China than Japan who sits like a conqueror on Chinese soil. They have brutally attacked and, had they not been frustrated, would have murdered one of the best servants of China this country possesses to-day. As an exhibition of cowardice it is doubtful if it could be equalled anywhere in the world to-day. These students have dipped the name of Young China in the mud.

Angered by what they conceived to be mistaken policy on the part of the League of Nations these young enthusiasts made a demonstration in Nanking during which they so worked up the animal and herd passions within them that they conceived the insane notion of attacking the foreign minister for his "failure" to persuade a body of doctrinaire politicians ten thousand miles away in Geneva to take certain action with regard to events in Manchuria.

It would be obvious to the most minor intelligence that Dr. Wang could have nothing to do with this and to any informed person it was apparent that Dr. Wang had done all that was possible through his very able mouthpiece in Geneva, Dr. Alfred Sze. These students, then proceeded to organise a murderous attack upon a defenseless man and to destroy national property. Dr. Wang was warned of his danger but refused to take cover as he might justifiably have done. He was busy with his documents when a mob of irresponsible children who should have been at their books burst in and set to work to beat the life out of the Minister. Heavy clubs, metal inkpots, broken glass these misguided youths found necessary to attack a middle-aged and defenseless man. A handful of Foreign Office servants, worth more as men than the entire band of students, courageously entered the room and by fighting strenuously for possession of the Minister's unconscious body dragged it through the windows and into a waiting motor-car and rushed off to safety, the students howling in the rear.

As we write it is not known exactly how serious are the injuries the Foreign Minister received, but coupled with the shock to a man of Dr. Wang's age, they may have very serious results. In any event China is robbed of the services of an excellent Foreign Minister at a time when she never needed his services more, the fault lying at the door of people who claim to have as a main characteristic that they have the interests of their country at heart. They have a few outstanding characteristics it is true, ignorance and stupidity being the most prominent.

Boys that ought to still be subject to the parental cuff have been allowed to get out of hand and to run to seed, and they have the audacity to imagine they are China and can speak in her name. China obviously has not a great deal to hope for from students of this kind when they shall have grown to years of maturity if not to common sense. These students who denounce the Japanese as enemies and invaders have not the courage to enlist themselves under a banner to lead the fight by arms which they call for so hysterically. They lack all courage; they possess only the cowardice to attack a defenseless man and attempt to murder him for "failing" to do something that was not within his power, or the power of any other Chinese statesman in office or out, to accomplish. This discreditable performance must bring the blush of shame to the cheeks of all other Chinese. Nothing could have been better conceived to lower the prestige of the Chinese race, nothing to alienate sympathy from this country at a time it is needed.

Dr. Wang has a record of service for his country that might well be the envy of every youth of this country. The finger of scorn and the brand of "money-grubber" so often levelled at politicians and statesmen in this country have never smudged his name. To him China owes largely the position she now occupies in the family of nations. Since the establishment of the National Government in Nanking and since he has been in office Dr. Wang has done more to raise the international status and prestige of China than any other single man. His term of office has been a long list of brilliant successes against tremendous odds. No man has better earned the respect and gratitude of his fellow Chinese. This single man unquestionably is worth more to China than the entire mob of students that so maliciously planned to murder him.

We write on the day of the occurrence, before it is known what action the Government, and especially General Chiang Kai-shek, will take against the students and to protect the Foreign Minister. We can only hope they will be of a severity befitting the enormity of their crime; that they may be checked and held in adequate restraint and in due course, if it be possible, attain to a measure of wisdom whereby they can measure for themselves the depths of foolishness to which they once sank. We condemn and abhor this cowardly attempt on the life of one of China's statesmen and hope, with all other real friends of China, that Dr. Wang may quickly be restored to health and usefulness in the councils of the National Government.

"LINDY" WORKS FOR CHINA'S FLOOD REFUGEES

WHEN it was known that Col. Charles Lindbergh was paying a visit to China no one dreamed that the famous aviator and his wife, the former Anne Morrow, were to be enlisted into an important group of people fighting the effects of the disastrous floods that this summer have overwhelmed the Yangtsze Valley. With that light-hearted readiness to step into the breach which characterises Lindy he offered the services of his Lockheed Sirius monoplane and its crew and that offer couldn't have come at a more opportune time. On September 19 the Lindberghs circled over Nanking and part of the China floods, decided the river looked dangerous and nosed inland—to find a perfect seaplane landing area that no one had thought about in that connection. So Lindy put the nose down and gently taxied across the surface of Lotus Lake, famous as a park with artificial lakes on which normally float flower boats for picnics but now covered by several feet of flood water.

Two days after landing Lindy and Anne were working hard instead of resting, giving the National Government such help as it could not otherwise have mobilised. The Lindberghs form a perfect crew for an airplane and so they set to work to survey an unknown flood area and bring back an amount of information about flood conditions and the plight and location of refugees that couldn't have been collected by other means in a month of Sundays. In two flights on successive days the Lockheed-Sirius crew surveyed and photographed no less than 16,000 square miles of Kiangsu province.

The indefatigable Anne on these long swings up-country over flood devastated country spent hours at the controls while the Colonel was busy with note book, map and camera. The strain of the task of so much flying and strenuous work aloft over strange country with land-marks often wiped out by the flood can better be imagined than described. But both have stuck to their task of helping to save some of the millions of China's countless people from the worst natural disaster that has visited this country in the last hundred years.

What the Lindberghs saw from their plane has been seen by few, in fact only by those who have flown long distances over China's flood devastated areas. There is beneath nothing but hundreds of miles of misery and desolation. The sight of people marooned on the tops of the poor houses with water lapping the eaves is not a sight to forget easily and it has naturally touched China's distinguished visitors. Hundreds of thousands of people are out of reach in this way, beyond the reach of help almost. But the Colonel was determined to help everyone possible. Hence arose his suggestion for taking a plane load of doctors and medicine to the marooned population of Kiangsu province, among whom disease is rampant, causing an enormous deathroll. All thoughts of his trip to Europe put away for a time the Colonel is working as hard as anyone, surveying here, taking cargoes of medicine there, doctors to another place.

It was therefore not surprising that the Chinese Government in its appreciation for a service that no one could have better performed searched

for a unique manner in which to display its gratitude for a unique service. Sometime ago there was instituted the Aviation Medal, to be awarded only in exceptional circumstances. It has never yet been awarded to anyone, Chinese or foreigner, no feat of aviation having been recorded as deserving the highest honor of its kind in this country. So the Government unanimously decided it could not better commemorate Lindy's services than by bestowing upon him the first medal of its kind and inscribing as the first on China's aviation scroll of honor the name of Colonel Charles Lindbergh.

Lindy has signalised his appreciation of the presentation by agreeing to go to Hankow and carry out there, with his talented wife, similar surveys to those made in Kiangsu which have provided the National Flood Relief Commission with so much valuable information as to flood damage and the areas in which refugees are concentrated. Hankow is no spot for a vacation just now. The floods have gone down a considerable bit and have left dirty muddy conditions and much disease. Neither Lindy nor Anne shirk the risks they run in going to Hankow and they merit the appreciation of China and the rest of the world for doing such splendid work in the name of humanity on behalf of millions of poor people who have lost their little all, and are suffering hell from disease and lack of food.

THE SHANGHAI BUS COMPANY ADOPTS A STANDARD FARE

ONE of the results of the strike which the Shanghai General Omnibus Company recently experienced has been that it has changed their system of collecting fares, at least on some of the routes. It may not be known to all of the readers of the *Review*, that whereas in America and most Western countries the system of street car fares consists of the simple procedure of paying one fare regardless of the length of the ride, here in Shanghai a highly complicated system of zone fares has always been followed, both on the street cars and the buses. Seeing that on the street cars in Shanghai, passengers are divided into two classes and that in each class on each route there are about a dozen different combinations of zones, the conductors when collecting fares are provided with tickets of various hues, about two dozen altogether, which they hand out in exchange when passengers pay their fares, ranging all the way from four coppers for one section for the lowest class to thirty or more coppers for the longest zone of the first-class. The system in vogue in Shanghai is that every passenger who pays his fare gets in exchange a small ticket showing the amount paid and the section in which he enters the car. Inspectors then come along and check up on the conductors. The bus company followed the same procedure as the street car company up until the incidence of the strike. Now the bus company has introduced the system of a standard fare regardless of distance. On the No. 9 route running from Yangtszepoo or Wayside to St. George's via Avenue Foch, the standard fare is now twenty coppers, as against the previous maximum of 45 coppers and minimum of nine coppers.

The object which the Shanghai Bus Company had in mind in making the change was to simplify the matter of checking up on the dishonesty of conductors. It was the discharge by the company of certain conductors who had been caught "squeezing" by the inspectors, that caused the recent strike. Many of the inspectors in the bus service are Koreans, while most of the conductors are Chinese. Although both the street car company and the bus company have a very carefully managed and extensive inspection service they have considerable difficulty in making a thorough check up on the dishonesty of conductors. The methods employed by conductors to enrich themselves are numerous. The simplest one, although the least frequently practised, is for the conductor to collect a fare without giving a ticket in exchange. The average passenger will not consent to this, however, as he is without any redress should an inspector come along. It is, however, quite common for passengers to be willing to enter willingly into another form of fraud on the company, that is, for the conductor to check up on his passengers first, ask them where they are going, then telling them to wait a bit before paying. Later he will collect the full fare from the passenger, but give the latter a ticket from a section which has in the meantime been entered, but good for the passenger's destination, the conductor pocketing the difference between the true price of the fare and the difference as called for by the ticket which he hands the passenger. The bus company method of collecting fares under the new system also provides for the issue of a ticket to each passenger who has paid his fare. Now the inspectors find that the conductors have invented a new kind of squeeze, namely that they collect a lot of the old used tickets from passengers as they leave the car and hand then to passengers who enter the car later, pocketing the full fare, namely twenty coppers. The bus company is now stated to be considering the advisability of adopting the pay-as-you enter system, in vogue in many parts of the United States.

"SO, YOU' RE A JAPANESE, THEN ALL RIGHT"

AN INCIDENT which occurred the other day on one of the launches on the Whangpoo, the stream on which Shanghai lies, plying between Shanghai and one of the wharves under foreign management lying at Pootung, on the opposite side of the river, illustrates the way in which Chinese are frequently humiliated and whereby the seeds of hate for the Westerner are engendered. On this particular launch a saloon is provided for foreigners and another for Chinese. Into the saloon reserved for foreigners the Chinese compradore staff of the Company is, however, admitted. The incident occurred while the launch was lying on the Shanghai side of the river. The saloon was fairly filled with Chinese when a foreign woman, evidently the wife of some official connected with the wharf, politely enough but quite firmly, ordered then all out of the saloon. Most of them went promptly. Several of them needed a second or third request.

But still there remained two more, whose faces flushed a little, but did not budge. One of the two when asked to leave, stood up, and enquired rather annoyed, "Why?" Thereupon the foreign woman, sensing the situation, asked "Are you Chinese?" "No," replied the other, rather proudly, "I am a Japanese." "So, you are a Japanese, then all right", the woman replied. Thereupon the Japanese resumed his seat by the side of his companion. And so the incident ended. But be it borne in mind that this happened just at the time when the Chinese were as a nation being humiliated by the Japanese in the Manchurian incident, and that it was witnessed by a hundred or more, most of them coolies, but none the less sensitive and cognizant of what the little drama meant. It was merely an everyday incident, probably, on the routine of that launch. But, if so, its repercussions will some day be all the stronger.

SOME REFLECTIONS BASED ON THE STERLING DEBACLE

FINANCIAL crises in various parts of the world in recent years have given emphasis to the Biblical admonition not to lay up for yourselves treasures on earth. Certainly it has been the experience of hundreds of thousands, probably millions, in all parts of the world that no form of wealth in any region of this mundane sphere has been safe from the ravages of events which could not by any possible sort of prevision have been guarded against. The experiences of those who had lost their all, or only part of it, in one part of the world, in most cases have not served as guidance for those living in some other part. The three principal currencies that interest people in this part of the world, are silver, the American gold dollar and the pound sterling. There was a time shortly after the world war when the American dollar was worth less than a Mexican dollar. Thousands of investors in China, who might at that time have invested their silver in American currency, and thereby have become richer by a hundred or more percent, rather lost confidence in the American dollar, and instead thought they saw the road to wealth by investing in Russian roubles. This proved a most unfortunate investment, as the Russian currencies were all repudiated by the Soviet government, and there is not the least hope that the holders of Russian paper will ever receive even a single cent for it, except possibly as curios in future years. Many of those who had been caught by roubles hoped to recoup themselves by investing in the German mark. Unfortunately for them the mark also became worthless in due course. The experiences of those who invested in marks is well illustrated by the fate of a mark account held in a bank in Berlin by a Shanghai resident. It was the habit of the bank to send out to its Shanghai client a statement of the account (registered) every six months. Gradually the price of the stamps rose so high that the entire account was wiped out by the debit of the stamps which were required to mail the account. The latest holders of wealth to be affected by a catastrophe are those whose funds are invested in pounds sterling. Following the announcement by the British government recently that there would no longer be a pound in gold behind each printed pound note the value of the pound sterling has shrunk very considerably, something like 30 per cent when compared with such a standard currency as the American gold dollar for example. This state of affairs has very seriously affected that large body of retired persons throughout the world who invested their funds in securities based on sterling, many of whom find that their income has been so seriously reduced that they will have to resume some sort of profitable work in order to pay their daily expenses. In the United States the "wise" people were those who, say three years ago, if they had any money to invest, *didn't invest it*, but merely left it lying idle in the bank. Those who followed such a policy find to-day that their funds will buy something like fifty per cent more than they would have three years ago. Here in Shanghai, however, those who had silver and bought some form of investment with it, unless unfortunately it was pounds sterling, are much better off than those who have left their money lie idle in bank. Those who invested their money in the United States in stocks, real estate or what not, have lost heavily. In China land has from time immemorial, as in many other countries, been considered the safest form of investment. But in huge districts in the interior of China this has proved to be the most unsafe investment of all, as the Communist hordes have come along, torn up the title deeds, chased the occupants from the land, and left them penniless. The same thing, of course, has happened in Russia. There is, for example, living in Shanghai, a Russian (who in his younger days had lived in the United States) who was a merchant in Vladivostok during the war, and who had not only saved up a tidy sum in roubles (when they were still "real" money) but had bought himself a three-hundred acre tract of land north of the city, which he was going to live on when he retired. His tract of land was confiscated by the Bolsheviks and his roubles vanished into the thin air. He arrived in Shanghai penniless and is now ekeing out a modest living as a salesman. Had he closed out his business at the peak of his business career in Vladivostok and simply left his money lie idle in American funds in the United States he would be worth close on to half a million to-day. Such are the pranks that fate plays with those who try to be thrifty!

Dr. C. T. Wang Resigns

It was officially announced from Nanking Sept. 30 that Dr. C. T. Wang, Minister of Foreign Affairs, has resigned and Dr. Alfred Sze, Head of the Chinese delegation at Geneva, has been appointed his successor.

During Dr. Sze's absence from China, the present Political Vice-Minister, Frank Lee, will be acting for Dr. Sze at the Foreign Ministry.

General Chen Ming-shu, former Chairman of the Kwangtung Provincial Government, was appointed Garrison Commander of Nanking and Shanghai in order to facilitate the coming of the Canton leaders to Shanghai for the settlement of questions affecting national unity.

Kuo Min says that national unity is being rapidly re-established on the anvil of Japanese aggression; while the dispute with Japan is still in a most acute stage, the domestic horizon, however, is rapidly lifting.

Japan Defies the League of Nations—League Leaves China in the Lurch

THE net result of China's appeal to the League of Nations and the various notes concerning Japan's occupation of south Manchuria was that on September 25 the Japanese Cabinet Council decided that intervention by the League of Nations or any third party is "not necessary." A proposal from the League of Nations that an International Investigation Commission be dispatched to Manchuria was also negatived by Japan. The gist of Japan's attitude is that she has acted in "self defense," that the trouble in Manchuria is purely local in character, and, as stated above, that intervention is "not necessary." K. Yoshizawa, the Japanese Ambassador to France, and the Chief of the Japanese delegates to Geneva, acting on the instructions of his government, informed President Lerroux of the League of Nations accordingly. General Minami, the Japanese Minister of War, in a statement to the Japanese press September 24, said that Japan would not hesitate to with draw from the League in case the latter insisted upon imposing itself upon Japan and China over the Manchurian issue. Japan's firm attitude in reference to the League naturally caused consternation in Geneva and the members of the League Council admitted dismay upon the receipt of Japan's answer. In fact the sentiment in Geneva was that Japan had dealt a blow not only to the peaceful purposes of the League but to the solution of the problem immediately in hand.

Following an extraordinary Cabinet meeting held in Tokyo, September 24 ,the following statement, explaining the recent action taken in Manchuria, was issued by the Japanese Government:

The Japanese Government have constantly been exercising honest endeavors in pursuance of its settled policy to foster friendly relations between Japan and China and to promote common prosperity and well-being of the two countries. Unfortunately the conduct of officials and individuals of China some years past has been such that our national sentiment has frequently been irritated. In particular, unpleasant incidents have taken place one after another in the regions of Manchuria and Mongolia, in which Japan is interested in an especial degree, until the impression has gained strength in the minds of the Japanese people that Japan's fair and friendly attitude is not being reciprocated by China in like spirit. Amidst the atmosphere of perturbation and anxiety thus created, a detachment of Chinese troops destroyed the tracks of the South Manchuria Railway in the vicinity of Mukden and attacked our Railway Guards on the midnight of September 18. A clash between Japanese and Chinese troops then took place."

"Swift Action Necessary"

The situation became critical, as the number of the Japanese guards stationed along the entire railway did not then exceed 10 400 while there were in juxtaposition some 220,000 Chinese soldiers. Moreover, hundreds of thousands of Japanese residents were placed in jeopardy. In order to forestall an imminent disaster the Japanese army had to act swiftly. The Chinese soldiers garrisoned in the neighboring localities were disarmed, and the duty of maintaining peace and order was left in the hands of the local Chinese organisations under supervision of the Japanese troops.

These measures having been taken, our soldiers were mostly withdrawn within the Railway Zone. There still remain some detachments in Mukden and Kirin and a small number of men in a few other places, but nowhere does a state of military occupation as such exist. Reports that the Japanese authorities have seized the Customs or the Salt Gabelle Office in Newchwang or that they have taken control of the Chinese railways between Supingkai and Chengchiatun or between Mukden and Sinmintun are entirely untrue, nor has the story of our troops having ever been sent north of Changchun or into Chientao any foundation in fact.

No Territorial Designs

The Japanese Government at a special cabinet meeting on September 19 took the decision that all possible efforts should be made to prevent the aggravation of the situation, and instructions to that effect were given to the Commander of the Manchurian Garrison. It is true that a detachment was despatched from Changchun to Kirin on September 21, but it was not with a view to military occupation but only for the purpose of removing the menace to the South Manchuria Railway in flank. As soon as that object has been attained the bulk of our detachment will be withdrawn. It may be added that while a mixed brigade of 4,000 men was sent from Korea to join the Manchurian Garrison the total number of men in the Garrison at present still remains within the limit set by the treaty and that fact cannot therefore be regarded as having in any way added to the seriousness of the international situation.

It may be superfluous to repeat that the Japanese Government harbors no territorial designs in Manchuria. What we desire is that Japanese subjects shall be enabled safely to engage in various peaceful pursuits and be given the opportunity of participating in the development of that land by means of capital and labor. It is the proper duty of a Government to protect the rights and interests legitimately enjoyed by their nation or individuals. The endeavors of the Japanese Government to guard the South Manchuria Railway against wanton attacks should be viewed in no other light. The Japanese Government, true to the established policy, is prepared to co-operate with the Chinese Government in order to prevent the present incident from developing into a disastrous situation between the two countries and to work out such constructive plans as will once for all eradicate the causes for future friction. The Japanese Government would be more than gratified if the present difficulty could be brought to a solution which will give a new turn to the mutual relations between the two countries.

From every point of view it is to be hoped that Japan is sincere in its statement that it harbors no territorial designs in Manchuria. However, it is pertinent in this connection to mention that such a declaration has to be taken with a certain amount of reserve, for Japan has in past years presented to the world a glaring example of its insincerity, namely in the matter of Korea. When Japan declared war on Russia in the spring of 1904 her announced reason was that the war was being waged for the purpose of "maintaining the integrity of Korea." Notwithstanding this declaration Japan calmly annexed Korea in 1910. Japan's defiance of the League of Nations is, under the circumstances, hardly surprising. When Japan annexed Korea, none of the other Powers of the world made a protest, although they might with propriety and good reason have done so. Eight years ago Italy took action against Greece somewhat on the same lines that Japan has now taken in Manchuria. Considering that Italy went ahead and did as it pleased right under the nose of the League in Europe it was not to be expected that Japan, here on the other side of the earth, and at a time when the whole Western world is in the throes of a financial crisis, would have any more respect for the League than Italy had. However, so far as the ultimate result is concerned there can be little doubt that Japan is making a big blunder in

Manchuria. This military adventure is costing an enormous sum of money, and although for the time being the Japanese masses may be induced, by an appeal to patriotism, to shoulder still greater burdens, it is almost certain that in time they will become disillusioned, and then the same thing is likely to happen in Japan as it did in Germany towards the end of the war, namely that the Japanese populace will oust the emperor and the whole expensive military system which supports him. Economic strength wins in the long run regardless of machine guns and bullets, and in this respect the Japanese are no match for the Chinese, not even in Manchuria. The Japanese army, from present indications, will probably sit tight in its strategic positions in Manchuria for months to come, but, generally speaking, it will be the Chinese that will possess the land, and the Chinese will in all probably eventually fall heir to valuable property which others have created, in Manchuria, just as they have elsewhere, for example, the beautiful city of Tsingtao, and, here in Shanghai the properties which now house the Central Bank and the Bank of China.

China made an appeal to the League of Nations on September 23, the actual communication being delivered by Dr. Alfred Sze, head of the Chinese delegation at Geneva, to Sir Eric Drummond, Secretary-General of the League of Nations. The substance of China's appeal as delivered by Dr. Sze was as follows:

"I am instructed by my Government to bring to your attention the facts set forth below and to request, by virtue of Article XI of the League Convenant, that you forthwith summon a meeting of the Council and that it take such action as may be deemed wise and effectual so that peace of the nations may be safeguarded.

"China told the Council on the 19th inst that the situation was created through no fault of the Chinese. Since then, I have received information from my Government disclosing that the situation has developed into one of greater gravity and revealing that regular Japanese troops without provocation of any kind opened rifle and artillery fire upon the Chinese soldiers at Mukden, bombarded the arsenal and barracks, set fire to the ammunition depot, disarmed the Chinese troops at Changchun, Kwanchengtse and other places, later occupied Mukden, Antung and other places and all public buildings and are now still in such occupation. Communication lines have also been seized.

"To these acts of violence, the Chinese soldiers and populace, under Government instructions. made no resistance and refrained from any conduct which might aggravate the situation.

"China being a member of the League, asserts that a situation has arisen calling for action under the terms of Article XI.

"I am instructed by my Government to request that the Council, in pursuance of the authority given it by Article XI, to take immediate steps to prevent further development of the situation endangering the peace of nations, re-establish the *status quo* and determine the amounts and character of such reparations as may be found due to China who is fully prepared to act in conformity with whatever recommendations from the Council and abide by whatever decisions the League may adopt."

At a meeting of the League Council September 22 Lord Cecil, the leading British delegate, forced the issue onthe Manchurian situation. According to *Reuter*, he appealed dramatically to the Governments of Japan and China to do nothing to aggravate further the situation in Manchuria. The League of Nations later passed a resolution proposing to use its good offices in setting the dispute between China and Japan. The League of Nations Council also suggested that an international investigation Committee be dispatched to Manchuria.

Col. Henry Stimson, American Secretary of State, in Notes despatched to China and Japan September 23 gave the following expression of public opinion in the United States:

"In view of the sincere desire on the part of the people of the United States that the principles and methods of peace shall prevail in international relations, and in view of the existence of treaties, to several of which the United States is a party and which contain provisions drawn up with the intention of regulating the adjustment of controversies between nations without resort to force, the American Government feels warranted in expressing to the Chinese and Japanese Governments hope that they will cause their respective military forces to refrain from further hostilities and so dispose their armed forces as to satisfy the requirements of international law and international agreement and that they will refrain from activities which may prejudice the attainment of their differences by amicable means."

In a speech delivered in Moscow, Idaho, Senator Borah turned from general remarks upon disarmament and treaty revision to the expression of his views upon the crisis in Manchuria. "If Japan had ten times the reason she alleges for entering Manchuria," he said, "she would, nevertheless, still be violating international law, the Versailles treaty, the League of Nations covenant and the Kellogg Pact."

American press opinion, as surveyed by the New York office of the *Kuo Min* News Agency, was generally unsympathetic toward what is described as Japan's "aggression" in Manchuria.

In a leading editorial the *New York Evening Post* said: "Japan's modern European clothes have not changed her ancient habits. When all of the nations of the west are giving every effort toward saving the once greatest of them all Japan creeps up on her ancient enemy and with a sudden military swoop steals from China the city of Mukden. The act, in its slyness, shrewdness and complete lack of good faith, internationally, is entirely characteristic of the tribal chiefs who ruled old Japan."

The New York *World-Telegram*, a Scripps-Howard newspaper, said: "Japan by making war on China has violated the Kellogg Pact. Two years ago the United States sharply demanded an explanation from Soviet Russia for violation of Chinese territorial rights in North Manchuria. Now Japan is guilty of one of the grossest aggressive wars of conquest in modern history. The Chinese knew they were protected by the Kellogg Pact and the Nine Power Washington Treaty of 1922. To these Pacts the United States has pledged her honor. If the United States Government wishes to have honor it will have to act. It will have to demand jointly of the Treaty Powers—alone if necessary—that Japan withdraw and make restitution."

The *New York Herald Tribune* said: "There is every evidence that the coup in Manchuria was actua ly planned by the Japanese military leaders beforehand."

A typical Japanese comment on the proposal of the League of Nations to intervene in Manchuria was that of the Tokyo *Asahi*, which declared on September 24 that the minutes of the Council of the League of Nations show clearly that the delegates of the Powers in Geneva "do not understand" the genuine facts of the Manchurian incident. The *Asahi* said:

"We should make clear to the Powers the real cause of the trouble in Manchuria. This is the urgent duty of the Foreign Office.

"The Nakamura case is frequently mentioned in the minutes of the Council of the League of Nations as though it were the cause of the present Sino-Japanese situation in Manchuria. Last Friday night's destruction of the tracks of the South Manchuria Railway by Chinese soldiers, the immediate cause of the trouble, is not known at all among the delegates of the Powers in the Council of the League of Nations. We cannot refrain from expressing dissatisfaction on this point.

"South Manchuria and the Japanese Empire are closely related by special rights and various historical facts. It is understood that a country, under the urgent necessity of protecting herself, is permitted by international law to infringe upon the rights of another country. We can find examples to support this statement in the actions of the United States of America in the Republics of Central America."

The *Jiji Shimpo* also gave its attention to the activities of the League of Nations. Its comment was as follows:

"Intervention by the League of Nations with regard to the Sino-Japanese situation in Geneva should not be a cause for wonder. That is the duty of the League of Nations. But it should be remembered that from the start of the trouble last week it has been the determination of the Japanese Cabinet Council to localize the trouble in Manchuria as much as possible.

"We cannot concede to the president of the Council of the League of Nations the right to enter into discussions with the Chinese and Japanese delegates to Geneva regarding the methods to be adopted in withdrawing armed forces from Manchuria.

"No individual or group can determine the best solution of the Manchurian problem unless there is ample understanding of the complicated relations between China and Japan. There can be no sound discussion unless the developments leading up to the current troubles are fully understood. Geneva is too remote a point to accomplish a solution of the Manchurian problem."

The *London Times* in an editorial September 26, on the Sino-Japanese situation in Manchuria, which may correctly be described as "shameful," congratulated the Council of the League of Nations on the good work it had done towards settling the Sino-Japanese conflict. But, it went on, there clearly is a danger that the action of the League may encourage important factors in China to challenge the internationally recognized rights of the Japanese in South Manchuria. The Chinese Government, it adds, "would be ill-advised if it mistook sympathy for partisanship and took no serious steps towards reaching a general settlement with Japan."

BITTER RUSSIAN COMMENT

Russian newspaper comment is, on the whole, both sarcastic and bitter. *Pravda* dwelt at length upon the "shamelessness" of the League of Nations and the American Government in letting down China, a member of the League of Nations and also a signatory to the Kellogg Anti-War Pact, of which the American government is the originator.

Izvestia, the official organ of the Central Executive Committee of the Union of Soviet Socialist Republics, said that "only the League of Nations sages and the protectors of the Kellogg Pact could doubt that this is war in its literal sense of the word." Said newspaper warned that the Soviets cannot ignore the fact that war is underway in Russia's vicinity. The warning is issued that the Moscow Government is watching developments anxiously. Further comment by *Izvestia* follows:

"The Sino-Japanese conflict has rapidly developed into a most important conflict of international political significance. What is taking place in Manchuria cannot be termed anything but war in the literal sense of the word. The destroyed communities and murdered bodies of the population are to create a basis for Japanese negotiations with China and a basis for the solution of all outstanding questions before the evacuation of Japanese troops.

"The responsibility for the distress caused the Chinese peoples by the foreign imperialists and at present by the Japanese imperialists rests, apart from the imperialists, also upon the Kuomintang. The Chinese people now see the value of the help from civilized countries which promoted the power of generals and attempted to arouse among the Chinese people a hatred for the only country or proletarian state which invariably and consistently upholds the principle of self-determination for nations and their freedom from the imperialist yoke.

"At a moment when the territory of a country which is a member of the League of Nations is occupied by the military forces of another member of the League, the directors of the League are virtually supporting the strongest side, while the United States expresses the view that 'the reports from China give no ground to note a violation of the Kellogg Pact.' The publication of the United States memorandum when the threat arose that the growing appetite of the Japanese militarists might lead Japan further than was supposed, perhaps, at the beginning of the occupation constitutes a definite warning to Japan that the United States is directly interested in events and wants to participate in the division of the spoils. All of the actions and declarations of Japanese diplomacy and of her military aim to gain time."

Noting that the Japanese military occupation of Manchuria may have far-reaching consequences, both in the region of actual hostilities and the entire international arena, *Izvestia* declares:

"The Soviet Republic, which always stands guard over peace opposes all imperialist violence over weak nations. The Soviet opposes every military intervention and it combats the war danger It realises that war is taking place in Manchoria and this determines the Soviet view toward the actions of Japanese imperialism.

Highlights of the Japanese Invasion

(As summarized by *The China Press*, Chinese-owned English language newspaper in Shanghai)

1. 12,000 Japanese troops now scattered in various strategic points throughout South Manchuria.

2. Japanese military in complete control of Yinkow, Shenyang, Nanling; Tungtating, Kwanchengtze and were last reported to be bombarding Changchun.

3. Japanese military have imprisoned General Yung Chin, Chief-of Staff to General Chang Hsueh-liang, together with his entire family numbering 17 persons.

4. Mr. Tsang Shih-yi, chairman of the Liaoning provincial government, was last reported missing since his protest with the Japanese consular authorities in Shenyang against the forceful occupation of the city by Japanese troops.

5. Japanese troops have cut both the telegraph and railway communication between Peiping and Shenyang, being now also in control of the terminal station of the Peiping-Liaoning Railway in Shenyang.

6. Disarming of one Chinese gunboat at the mouth of the Yalu River by Japanese naval authorities.

7. The arrival of ranking Japanese military and civil officials in Kwantung at Shenyang and their subsequent establishment of headquarters there in the Chinese government buildings.

"At the same time the Soviet public cannot ignore the fact that the events in Manchuria are developing in the immediate proximity of the Union of Soviet Socialist Republics."

Pravda, the official organ of the Central Committee and Moscow Committee of the Communist Party, angrily denounces rumors of a Soviet-Japanese preliminary understanding and the newspaper asserts that the attempt to compare the Japanese action of the past week with the Soviet entry into Manchuria in 1929 "merely arouses indignation and disgust." *Pravda* says that the Soviets acted in 1929 only after the Chinese Eastern Railway had been seized by the Chinese, after equal treaties and been broken and after Soviet territory had been invaded. Moreover, says *Pravada*, the Soviet peace terms merely restored the equal treaties and did not exact imperialistic privileges, whereas Japan openly desires to impose her domination by armed force.

Pravda insists that by its declarations on the Sino-Japanese crisis in Manchuria the Japanese Government has openly expressed its annexationist plans:

"If Japan heretofore exploited the lion's share of the natural wealth of Manchuria the declaration's demand that Japanese capital be permitted to participate in Manchuria's development signifies nothing but the complete capture of Manchuria. Japan's emphatic refusal to evacuate her troops from Manchuria as contained in her declaration means that the Japanese imperialists have no intention to let go of their prey.

"Imperialist circles are vigorously circulating provocative rumors alleging that the Japanese invasion of Manchuria took place as the result of a preliminary Soviet-Japanese agreement. Some foreign newspapers in China and a number of Japanese newspapers are even meanly attempting to draw an analogy between the Japanese occupation in Manchuria and the Chinese Eastern Railway conflict of 1929. Such wild inventions arouse only a sense of revulsion and indignation.

"Faced with the provocation of war on the part of Chinese generals acting under direct orders from imperialists the Soviet Union desperately fought for peace, seeking only the restoration of the situation of the Chinese Eastern Railway based upon equal treaties between the Union of Soviet Socialist Republics and China. The Soviet Government did not advance a single demand in the least affecting China's sovereignty. This analogy most strikingly reveals the gulf dividing the annexationist policy of the imperialists from the consistently peaceful policy of the Soviet Union which treats the interests of the toiling masses of China with the greatest attention and consideration."

A *Kuo Min* message from Peiping, Sept. 24, reported that the second Division of the Japanese Army occupied Taonan, Northern Liaoning, and the Supingkai-Taonan Railway on the 22nd. With the exception of the Chinese Eastern Railway, all Chinese railways in Liaoning and Kirin were brought under Japanese control. These include the Shenyang-Kowpangtze section of the Peiping-Liaoning Railway, Kowpangtze-Yingkow branch of the said railway, Shenyang-Hailun, Kirin-Hailun, Kirin-Changchun, Ssupingkai-Taonan, Chengchiateng-Tungliao and Tahushan-Tungliao Railways. The Headquarters of the Japanese 2nd Division is established at the Ssupangkai-Taonan Railway Administration. The streets of Kirin, the provincial capital, have also been renamed in Japanese. Railway guards of the Kirin-Changchun Railway were disarmed by the Japanese troops. Many Chinese civilians in Changchun were reported killed. Chou Yu-ping, Director of the Changchun Municipal Administration, was found lying dead on the roadside with bullet wounds and bayonet cuts; various members of his family were also murdered. The railway station at Yingkow (Newchwang) was occupied by the staff members of the South Manchuria Railway September 24. The Peiping-Liaoning Railway Administration sent a deputy to Mukden to negotiate with the Japanese authorities for the removal of mines along the Railway so that the damaged tracks may be repaired and communication facilities restored. Three Japanese airplanes flew over Mukden and scattered handbills announcing to the inhabitants that the Japanese are going to hold the province permanently and that the Chinese should keep quiet and carry on their business. Following the appointment of Colonel Dohibara as "mayor" of Mukden, the various municipal organs there are undergoing reorganization. Mukden, remained Shenyang by the Chinese, is to be re-named "Shengking", or incorporated with the Kwantung district, by the Japanese. The Japanese further announced that Chinese merchants must resume their business at once. At Chinwangtao, Japanese soldiers searched all passengers on the Peiping-Liaoning trains.

It was announced in an official Japanese statement issued at Mukden September 26 that a movement is on foot among the Chinese for removing the capital of Manchuria to Harbin.

Harbin was quiet up to Sunday, but Japanese planes kept circling over said city as they have been doing at Mukden At Harbin the planes dropped pamphlets suggesting a possible occupation. Instructions were sent to all Japanese residents in the Yangtsze valley, on orders from Tokyo, September 27, to withdraw to points where naval protection could easily be granted them. The Japanese Naval Minister in reporting to the Cabinet on conditions in China, is reported to have said: "The districts under Canton and under Marshal Chang Hsueh-liang are comparatively quiet, but the provinces under the Central Government are becoming increasingly dangerous."

Up to the time of going to press the situation was that the Council of the League of Nations had issued a statement that it felt satisfied that its duties had been fulfilled under the terms of Article XI of the League of Nations Convenant and agreed that direct negotiations between China and Japan should proceed. This announcement followed spirited arguments between Dr. Alfred Sze, the Chinese delegate, and Mr. Yoshizawa, the Japanese delegate, at the sessions of the League at Geneva. The latter emphasized the resolve of his government to withdraw all Japanese troops "as soon as possible" from occupied territory. Dr. Sze passionately refuted Mr. Yoshizawa's statement and reiterated China's demand for the appointment of a commission of neutrals to supervise Japanese evacuation. Dr. Sze firmly maintained that under no circumstances would China treat directly with Japan so long as Japanese troops occupy Chinese soil.

Premier Wakatsuki, Foreign Minister Shidehara and Minister of War Minami, at a conference in Tokyo September 28, decided that the Japanese troops in Manchuria cannot be withdrawn into the South Manchuria Railway zone until "order has been completely restored in Mukden, Kirin and other danger areas." As regards the League of Nations, Japan stands "pat" on its previously announced position that it intends to deal directly with China without intervention from the League in any form whatever. Japan's insistence on "direct negotiations" means, of course, that every effort will be made by Japan to place the Northeastern provinces in such a position that they will have to bear the brunt of the invasion and then they will have to choose

between waiting for Nanking to come to their rescue or else submit to Japanese demands.

Already now there are indications that many highly placed Chinese officials, in Manchuria, including General Koo, chief of the General Staff to General Tsang Tso-hsiang, chairman of the provincial government of Kirin, are in favor of Kirin declaring its "independence" from Nanking, and similar trends were to be observed from Shenyang. Reports from the north also indicate that strong efforts are being made by the Japanese militarists to induce Inner Mongolia to secede from Nanking and create still another new government.

Perhaps the most important development last week was Japanese frightfulness regarding refugees leaving the country rather than remain under Japanese jurisdiction. Several foreign sources confirm reports of Japanese airplanes opening up machine guns on trains of refugees travelling from Mukden to Tientsin. To anticipate the possibility of Japan saying it has been done by Chinese aeroplanes it is perhaps necessary to say that the entire force of Chinese military and civil airplanes in Mukden were seized by the Japanese when they first went in. These, state *Reuter* reports, have since had their Chinese markings removed and Japanese insignia painted on instead. Presumably when Marshal Chang Hsueh-liang can get back to his capital to clear up the mess made by the Japanese invaders he will find it necessary to equip himself afresh with aircraft. The Japanese have taken in this manner between 50 and 60 Chinese aeroplanes.

So far as the firing on trains is concerned, here we have the account of a British engineer, manager of the Peking-Mukden railway, who travelled on a train that was subjected to machine-gun fire by a Japanese airplane. The report is issued by the official *Kuo Min* news agency from Nanking:

> "Japanese military aeroplanes are attacking everyday passenger and refugee trains on the Peiping-Mukden line. The following detailed account is available of one of the attacks:—
>
> Mr. J. D. Thomson, British manager of the Peiping-Mukden Railway, who left Huangkutun, Mukden, on Train No. 102 on Thursday, Sept. 24th, with his wife and family as well as with one German and one Italian lady friends in a special car attached to the rear of the train—which was packed with refugees from Mukden,—reports that after proceeding about 34 kilometers outside of Mukden, a Japanese military aeroplane armed with machine-guns appeared suddenly and gunned the train. The noise of the aeroplane and the machine gunfire were distinctly heard in Mr. Thomson's car. By the time the train stopped, the noise of the motor was audible but the plane was already invisible.
>
> Mr. Thomson immediately examined the train and found that the fourth and fifth carriages from the rear were profusely spattered with bullet marks. Inquiries for casualties revaled two Chinese refugees killed, and five wounded. He examined one of the killed and several of the wounded. One of the wounded died later.
>
> Mr. Thomson definitely states that the attack was totally unwarranted. There were no soldiers in the vicinity or in the train. Mr. Thomson examined the bullet holes and found that in every case the bullets penetrated at a downward angle, showing that they were fired from above. The railway tracks in the vicinity are higher than the ground.
>
> The above information was communicated by Mr. Thomson to the British Consul-General in Tientsin.
>
> Since Mr. Thomson's return, news has been received of a similar attack on another train when a Japanese aeroplane attacked Train No. 105 at Yaoyangho at 11.10 a.m. on Sept. 24. Also, Down Train No. 103 was fired on at Chuliho on Sept. 25th at 5.45 a.m.; two railway guards were taken off by the Japanese.
>
> To this black series, a new and sinister act has been added yesterday. The locomotive and five cars of Train No. 102 were derailed near Paichipu, about 50 miles south of Mukden. owing to the removal of rails by alleged bandits, in fact Japanese agents. who looted the train. Thirty passengers were killed among whom are reported one Englishman, one Russian and one Indian.
>
> Shortly after the derailment, a Japanese locomotive and two cars occupied by twenty Japanese arrived, examined the wreck and returned northwards."

Marshal Chang Hsueh-liang meanwhile remains in Peking. In an interview with foreign correspondents the Marshal said, "The occupation of Chinese towns in Manchuria by Japanese troops constitutes an act of war. It is unwarranted, unprecedented, and comes after weeks of agitation in Japan to inflame the Japanese people."

Japanese action in Manchuria has caused tremendous feeling all over China and mass meetings of protest against Japan's invasion of Manchuria are reported from every town of size in the country. With difficulty the Chinese authorities have restrained the indignant population. Nanking saw a monster mass meeting on September 23 when President Chiang Kai-shek made a spirited speech on the Japanese invasion in which he appealed for calmness while the League of Nations was considering the matter and declaring that if no satisfactory settlement was forthcoming China must fight for her rights to the last man.

The concluding portions of his speech were:

> "We must maintain discipline, act like one man, and have centralised control. The National Government has arrived at this final decision. For the moment we will wait for the judgment of the world. No matter how difficult it is to suppress our indignation we must remain calm. Secondly if the League of Nations and the signatory powers to the Kellogg Pact fail to uphold justice the National Government is prepared for the final and supreme struggle.
>
> "I shall lead the army and the entire nation to fight for the preservation of our race and to uphold the dignity of our people. Let me assure you I shall stand or fall with my country. I shall go to the front and if need be fall with the other patriots."

Exchange of Notes Between China and U. S. A.

The Nanking government on September 28 received the American government's note replying to a previous communication of the foreign ministry to the Washington State Department in connection with the invasion of Manchuria by Japan.

The American note declares that the American government and people are paying the closest attention to developments in Manchuria in consequence of the actions of the Japanese military authorities in Manchuria and expresses the hope that the relations between China and Japan will be settled in accordance with usual diplomatic and peaceful practices between civilized nations instead of resorting to the use of force.

In the first note to the American government, the Chinese government states that the national government and the Chinese people are keenly appreciative of the spirit and intention of America in dispatching identical notes to the Chinese and Japanese governments which action the Chinese people believe, must have been prompted by the desire for peace and the observance of the Paris Peace Pact of 1926 as well as the Kellogg Anti-War Pact.

Continuing, the Chinese note points out as the result of the military actions of the Japanese soldiers in Manchuria, Chinese cities have been occupied by Japanese troops who were also responsible for other heavy losses and damages in addition to the wounding, killing and humiliating of Chinese officials and people.

It is also pointed out that the moment when the American government's note was being delivered to both the Chin-

ese and Japanese governments, Chinese trains on the Peiping Liaoning Railway bearing refugees from Shenyang for Peiping were fired upon by Japanese military airplanes from the air, with the result that many innocent people were killed and others injured, actions which prove, that in spite of the official declaration of Japanese civil officials that every effort will be made to check the outbreak of further incidents which might tend to aggravate the situation and also to withdraw from the various occupied cities, the Japanese military are continuing with their belligerent activities.

At the same time, Chinese authorities and people, in face of provocation and humiliation, have consistently maintained an attitude of calmness in the belief that the world's moral force and public opinion would be able to enforce the application of international conventions and the observance of treaty stipulations toward world peace.

The Chinese government demands, therefore, that at the present moment when international conventions are being trampled under-foot by the Japanese military, the Japanese government should immediately and effectively carry out the evacuation of the various occupied Chinese territories. The Chinese government also should be equitably and promptly compensated for the heavy losses incurred by Japan's military invasion and occupation of Manchuria.

The Chinese government, the note concludes, has no alternative except relying upon the sense of justice and fair play of the civilized word which is governed by international conventions. The Chinese government can only hope that effective measures will be devised for the protection not only of China but also the sanctity of international conventions.

Cold Comfort for China from the League of Nations

Following is a translation of a telegram in French dated Geneva, September 22, from M. Lerroux, President of the Council of the League of Nations to the Minister of Foreign Affairs, Nanking:—"I have the honor to bring to your attention that at its session to-day devoted to the appeal of the Chinese Government by virtue of Article XI of the League Covenant on the subject of the situation in Manchuria, the Council of the League of Nations unanimously authorised the following: (1). To address an urgent appeal to the Governments of China and Japan to abstain from all actions likely to aggravate the situation in Manchuria or prejudice the peaceful settlement of the dispute. (2). To seek by means of consultation with the Chinese and Japanese Delegates adequate measures which will permit the two nations to proceed immediately with the withdrawal of their respective troops so that security of their nationals and protection of their property will not be compromised. (3). The Council, on the other hand, decided to transmit by way of information *proces verbal* of all sessions of the Council and documents concerning this affair to the Government of the United States of America. I have firm conviction that, responding to the appeal which the Council has authorised me to address to you, your Government will take all measures to prevent the commission of any action likely to aggravate the situation or prejudice the peaceful settlement of the dispute. On the other hand, I shall begin the above-mentioned consultations with the Japanese and Chinese representatives for the execution of Paragraph Two. In these consulations, I shall associate myself with the representatives of Germany, Great Britain, France and Italy. The decision mentioned under Paragraph Three has been executed."

"Military Funeral Service" for Late Captain Nakamura

The "military funeral service" for the late Captain Nakamura and Sergeant Isugi, who are alleged to have been massacred by Chinese soldiers in Manchuria, was observed at the Yasukuni Shrine in Tokyo September 27. Hundreds of notables were present on the occasion, including General Minami, the War Minister; General Kanaya, the Chief of the General Staff; Mr. Koizumi, the Minister of Communications; representatives of the Premier and other Cabinet Ministers, and many high military officers.

Demonstrations by Chinese at Harbin

Harbin, Sept. 22 (Noon)—The news of sudden and forcible occupation of Mukden and other strategic points in South Manchuria was received here with mingled feeling of alarm and resentment among the Chinese population. Though no overt action was taken by the enraged Chinese against the Japanese here, a series of minor incidents occurred between 10 and 11 p. m. yesterday, when several bombs were thrown at the Japanese Military Mission, the Japanese Consulate, office of the Japanese newspaper *Nichinichi*, the Chosen Bank and Japanese quarters at Pristan district. Thus far no casualties have resulted, but the Military Mission garden and all tropical plants have been destroyed and many winows and doors broken. Other parts of the city remained quiet.

Peace Delegates Meet at Hongkong—Will Chiang Kai-shek Resign?

WHILE the air at Hongkong was still vibrant with the shouts of mobs jeering and attacking Japanese residents in that city the delegates from Nanking, General Chen Ming-chu, commander of the 19th Route Army, Dr. Tsai Yuan-pei and Mr. Chang Chi, the latter two being members of the Central Executive Committee, arrived in Hongkong September 29 and met the delegates of the Canton Government: Mr. Sun Fo who was former Minister of Railways at Nanking; Mr. Wang Ching-wei, the leader of the Left Wing of the Kuomintang; Mr. Ma Chi-chun; and Dr. C. C. Wu, the former U. S. Minister to the U. S. A. who had just arrived—at the Peninsular Hotel in that city, for the purpose of discussing peace terms between Nanking and Canton. A telegram from Hongkong September 30 said that they had come to an agreement that there should be a simultaneous resignation of General Chiang Kai-shek and dissolution of the Canton government. They all proceeded to Canton September 30.

Prior to their conference Mr. Chang Chi in a statement to newspaper men said, "I am glad to say that there is every hope for a pacific solution in the unity negotiations with Canton." "Both Governments, he continued, "had been of the same family originally, and there cannot be any severe conditions laid before each other, in order to bring about smooth co-operation." General Chen, another Nanking representative, said, "The country is now confronted with a national crisis. There is no other way left for the country but to re-establish unity and then cope with the crisis."

Mr. Wang Ching-wei, a Canton delegate, interviewed by the press at Kowloon Railway Station, said: "I have been dispatched by the Canton Government to confer here with the Nanking representatives relative to the proposed reconciliation between the two Governments. At a time when the country is in danger, we should carry out prompt co-operation and oppose the foreign enemy."

Up to the time of going to press no further details of the proposed healing of the breach between Nanking and Canton had come to hand.

Liang Han-tsao, secretary of the Canton Extraordinary Kuomintang Council, was severely manhandled by a student mob on Monday, September 27 while addressing a meeting at the Y.M.C.A. in Canton. He declared that General Chiang Kai-shek must resign before peace could be arrived at.

The telegrams from the south, during the week, particularly from Hongkong, indicated that the indignation of the southerners over Japan's

moves in Manchuria was even greater than those of the northerners, and the British government in Hongkong has had to deal with a serious situation as the result of a series of riots and attacks on the Japanese residents of the colony—full details of which are contained in the telegrams which are printed below.

A series of violent anti-Japanese riots occurred at Hongkong on September 27 and subsequent dates when the anti-Japanese feeling began to vent itself. A furious Chinese mob on September 27 attacked several Japanese residences, killing six Japanese, two of them women and three children. When the Hongkong police and British soldiers charged with fixed bayonets upon the enraged mob several Chinese were killed. The mob commenced to fire on the police, among the casualities being a British police inspector. The police and soldiers battled with the mob for an hour. Attacks were also made by the Chinese on Chinese shopkeepers selling Japanese goods. The Colonial Government thereupon proclaimed the Emergency Acts, forbidding street assemblies and anti-boycotting activities. However the Chinese insisted on demonstrating, among other places in front of the Yaumati Police Station. The Police fired and killed one Chinese and mortally wounded several others. On the following day further riots occurred. The Japanese community is fleeing to shops in the harbor or to the Peak for safety.

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Hongkong, Sept. 23 (7.48 P.M.)—National Humiliation Day was observed at Canton today. The whole city seethed with resentment and indignation over the unwarranted and unprecedented outrages of the Japanese troops in Manchuria, but no untoward incidents occurred. Public feeling was studiously restrained by the authorities to mere expressions of sorrow and indignation. The Chinese newspapers were all printed in blue as a sign of mourning; all Chinese commercial houses flew the National Colors at half-mast and the various clubs cancelled their sporting program for the day. The Cantonese merchants have started a vigorous Anti-Japanese boycott movement. Feeling against Japan is heightening from hour to hour and the Japanese Consul at Canton has became greatly concerned. He called upon Mr. Eugene Chen, Canton Foreign Minister, twice yesterday and confered with him on the Manchurian situation. An Anti-Japanese boycott movement is also being secretly planned by the Chinese merchants in Hongkong. Chinese importers have cancelled all orders from Japan and as a consequence, Japan's piece goods trade is being seriously jeopardised. It is estimated that a loss of at least 30 millions will be incurred by the Japanese piece goods exporters for the current year.

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Hongkong, Sept. 23 (10.30 P.M.)—As an expression of their resentment over the Manchurian affairs, a Chinese mob numbering a thousand strong demonstrated this afternoon and made simultaneous attacks on several scores of Japanese shops at Wanchai district in Honkgong. Numerous shopfronts and show windows were dashed into pieces and a small quantity of Japanese commodities was also destroyed. The Japanese shop assistants rushed indoors upon the advance of the mob, all escaping uninjured. Soon after the incident occurred, British and Indian police arrived on the scene and suppressed the disturbance. As large numbers of the mob refused to disperse, several arrests were made on the spot including a child of seven who joined the demonstrators to voice his indignation against the Japanese agressions. The mob, though forced to disperse by the police, is awaiting another opportunity to resume their attack on the Japanese, but the police are taking extra precautions to prevent a repetition of the incident.

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Canton, Sept. 23 (10.30 P.M.)—According to a report circulated by the *Central Press*, Eugene Chen, Canton Foreign Minister, has addressed an important communication to Baron Shidehara, Minister of Foreign Affairs of Japan, concerning the very grave situation created by the Japanese militarists occupying Mukden and other Manchurian cities and inquiring whether Japanese action is to be interpreted as deliberate and calculated reversal of Japanese Government's policy to regard Manchuria as an integral part of China and to respect China's soverignty over that territory as declared by Baron Shidehara in exchanging views while he was visiting Japan. An official reply from Japanese Foreign Office is being awaited by the Canton Government officials.

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Hongkong, Sept. 24 (2.56 P.M.)—In view of the urgency of the Manchurian situation, the Canton Central Kuomintang Headquarters summoned a joint meeting of the executive members of the provincial and municipal party headquarters on Sept. 23 to discuss measures for opposing the Japanese aggressions in Manchuria. Wang Ching-wei, Leftist Leader of the Canton "Nationalist Government," presided and delivered a speech, bitterly denouncing the Japanese outrages in the Three Eastern Provinces. The meeting lasted several hours and adopted several important resolutions, one of which authorized the organization of an Anti-Japanese Association. Eugene Chen, Canton Foreign Minister, has lodged a strong protest with Baron Shidehara, chief of Japanese Foreign Office, calling his attention to the universally recognised fact that Manchuria forms an integral part of China and demanding that Japan must respect China's sovereignty in that area.

The panic continues at the Japanese Taiwan and Yokohama Specie Banks at Shameen, as large numbers of Chinese depositors are rushing to the banks daily since the Manchurian developments to close their accounts and withdraw their deposits. The situation in these two Japanese banks is said to be very tense.

The Japanese Consul at Hongkong, Mr. Yoshida, called on Police Commissioner W. D. C. Wolfe and requested him to afford protection to the Japanese residents at Wanchai district where Japanese shops were attacked by a Chinese mob yesterday. He said that he does not propose evacuation of Japanese from the district and would simply ask the police authorities to take extra precautions against further mob attacks.

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Hongkong, Sept. 24 (10 P.M.)—As a protest against Japanese outrages in Manchuria, a mob of Anti-Japanese agitators made an attack on the Japanese Primary School in Hongkong this afternoon and pulled down the Japanese flag flying over the school building. Shortly after the incident occured, the local authorities dispatched a strong squad of police to protect the school and disperse the mob. Pleading for extra precautionary measures, the Japanese Consul here immediately interviewed the Colonial secretary and the secretary for Chinese Affairs, calling their attention to the growing serious situation in Hongkong, as Anti-Japanese feeling among the Chinese community is being worked to high pitch. All Japanese shops closed their doors today, but conducted their business behind closed shutters in the evening. At about 8 P.M., the Anti-Japanese Chinese agitators renewed their attack on Japanese shops at Wanchai district, but they were soon dispersed without doing any damage. The Japanese steamer, Canton Maru, arrived here this evening from Swatow and Amoy without any Chinese passengers aboard.

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Hongkong, Sept. 25 (2 P.M.)—The Anti-Japanese feeling in Hongkong is assuming a serious aspect and in spite of the police precautions, a series of street incidents occurred this morning, when several hundreds of Chinese agitators attempted an assault on several Japanese pedestrians in front of the Hongkong Hotel and stoned the Japanese Tokyo Hotel. The Japanese fled before the enraged Chinese mob and no casualties resulted. Later, the agitators turned their wrath on their own unpatriotic countrymen and wrecked several Chinese shops selling Japanese goods. A number of the agitators were arrested by the police and charged before the police magistrate who imposed fines from five to twenty dollars and dismissed them with caution. Chinese importers in Hongkong convened a meeting this morning and resolved boycotting Japanese products forever. In order to present a united front against the Japanese aggressions in Manchuria, Hongkong Chinese engineers and numerous labor bodies have addressed a joint telegram to Nanking

and Canton Governments respectively, appealing for peace and unity of the nation.

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Hongkong, Sept. 25 (6 P.M.)—Consequent upon the serious developments of the Anti-Japanese situation here, the Police Commissioner has issued a warning to all police reserves to stand prepared to assist the regulars in suppressing further Chinese attacks upon Japanese shops. Anti-Japanese slogans are posted all over the city and several Japanese were assaulted this morning at Praya district, during which Police Sergeant McCobbie and several British officers were slightly injured when they attempted to disperse the mob. Six other similar incidents occurred in the afternoon, but so far no Japanese suffered any serious injuries. The Hongkong Chinese Newspapers Association called an urgent meeting today, at which it was decided to suspend all Japanese advertisements and to discontinue publishing Japanese exchange quotations and shipping sailing notices. The situation here is getting very grave and further Anti-Japanese outbursts are feared.

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Hongkong, Sept. 27 (2.25 P.M.)—The Anti-Japanese feeling in South China is tending more and more to violent expressions, as numerous mob incidents broke out during the week end in Canton, Kowloon and Hongkong. Several Japanese residences in Hongkong were attacked and raided by a furious Chinese mob, resulting in six Japanese including two women and three children killed and two other children seriously injured. As the mob continued its attack, a large squad of Police and soldiers with fixed bayonets arrived at the scene and charged upon the enraged Chinese masses numbering several thousand people, killing three Chinese outright and mortally injuring numerous others. The mob returned fire and seriously wounded police Inspector Evans. A sort of guerrilla warfare between the Police and the mob ensued and lasted for about an hour. At last, the mob was dispersed only to stage similar riots in many other districts in the city though without resulting in further casualties. The mob also visited several Chinese firms selling Japanese goods which were seized upon and piled up on the streets. It is understood that the agitators will stage a bonfire in order to give a warning to all Chinese merchants to cease any further commercial dealing with the Japanese.

In view of the growing menace of the situation, the Colonial Authorities this morning proclaimed the Riot Act and commissioned two batallions of soldiers to patrol the various strategic points in the city, assisting the evacuation of Japanese residents to the peak and mid-level districts for safety.

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Hongkong, Sept. 27 (9 P.M.)—Consequent upon the continued occurrences of the Anti-Japanese riots by the Chinese mobs, the Colonial Government today proclaimed the Emergency Acts which is virtually tantamount to the declaration of Martial Law. All street assemblies and Anti-Japanese boycotting activties are strictly prohibited and the entire community is urged to assist the Police to preserve peace and order in the city. Japanese residents are especially advised to remain indoors, whenever possible. Police and soldiers mounted in armored cars patrolled the main thoroughfares this evening and their vigilance succeeded in preventing repetition of any untoward incidents.

This afternoon, a huge mob of Anti-Japanese agitators carrying banners and armed with stones and bamboo sticks demonstrated in front of the Yaumati Police Station and was fired upon by the Police. One Chinese agitator was killed and several others were mortally injured. The Police Authorities threw the blame upon the communists for inciting all the disturbances and are attempting to round up the communist leaders.

The Japanese Consul here has ordered the evacuation of two thousand three hundred Japanese residents from their homes and instructed them to be concentrated at the peak pending being removed to other places. At present, more than eight hundred Japanese women and children took refuge at the Japanese Primary School building and are said to be suffering considerable hardships owing to the overcrowding.

In fear of being searched and attacked by the agitators, all Chinese firms are dumping their Japanese goods and pile them up in huge heaps on the streets, leaving them to the disposal of the agitators. The Chinese members of the Legislative Council of Hongkong have issued a statement, condemning the rioting activities of the Chinese mobs.

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Hongkong, Sept. 28 (12 P.M.)—Co-operating with the police in the maintenance of peace and order here in face of numerous Anti-Japanese outbreaks, companies of British soldiers composed of men from South Wales Borderers, Argylls and Southerland Highlanders patrolled the main streets this evening and assisted in the enforcement of the Emergency Act which was proclaimed yesterday. As a result of these extra-precautionary measures, the Anti-Japanese Chinese agitators did not create any serious disturbance today, but confined their activities to the search of Chinese passengers on buses wearing Japanese cloths. Several fashionable women wearing costly Japanese materials were assaulted and their dresses torn asunder. One Chinese was killed during the riot, when police opened fire.

The N.Y.K. Steamer, *Asamamaru* which arrived in port yesterday is now serving as temporary shelter for Japanese refugees and many Japanese are prepared to leave Hongkong for Japan when the steamer leaves on Wednesday.

The Canton Government Council at a meeting today expressed regret over the series of Anti-Japanese riots in Hongkong. Wang Ching-wei, leader of the Leftist Wing, spoke at the meeting, urging the Chinese compatriots in Hongkong to maintain a calm attitude and restrain their activities and to leave the Manchurian situation to be handled by the respective Chinese and Japanese Governments.

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Hongkong Sept. 28 (10 P.M.)—According to police investigations, the weekend Anti-Japanese riots in Hongkong resulted in many casualties on both sides of the Chinese and the Japanese. A total of eighteen Japanese has been injured, three of whom sustained mortal wounds. A score of Chinese rioters were killed and two more succumbed to serious injuries this morning. Forty Chinese agitators were arrested by the police and charged before the Police Magistrate this morning for inciting and directing assaults on Japanese. Interviewed, Mr. Yoshida, Japanese Consul here, said that enormous damage has been caused by Chinese mobs to many Japanese houses which were raided following the evacuation of their occupants. As a protest against Japanese outrages in Manchuria, seventy Chinese members of the crew on the *Canton Maru* deserted the vessel, when the Japanese steamer called at Hongkong today.

According to a report from Canton, a clash between a Chinese mob and Japanese merchants occurred on Sunday morning at a Japanese godown in the suburb of Canton. The Japanese fired to disperse the mob, resulting in several casualties on both sides.

A party of Nanking peace commissioners including Gen. Chen Ming-shu, commander of the 19th Route Army, Tsai Yuan-pei and Chang Chi arrived at Hongkong this morning from Shanghai. It is understood that Canton Government will dispatch Wang Ching-wei, Sun Fo, Koo Ying-feng, Tang Shao-yi and Ma Chi-chun to Hongkong to meet them and discuse peace terms with the visitors in order to effect an immediate re-union of the Canton and Nanking Governments.

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Hongkong, Sept. 28 (12 P.M.)—The Anti-Japanese situation here suddenly took a turn for the worse to-night, as infuriated Chinese mobs resorted to more violent measures to give vent to their indignation over the Manchuria Affair and set fire to several Japanese houses which were evacuated this morning. Due to the quick work of the police, the flames which were just spreading were, however, immediately extinguished and no serious damage resulted. The mobs were fired upon by the British soldiers and several were killed, when they refused to disperse.

Late in the evening, a huge mob of more than two thousand Chinese people assembled at Westpoint district and forced entrance into several Chinese shops, seizing and throwing Japanese products on the streets. As they resisted the efforts of the Police to disperse, the police opened fire, causing numerous casualties. Five Chinese were seriously wounded and taken to the Government Civil Hospital. Simultaneously, another mob demonstrated at Shaukiwan district, distributing Anti-Japanese leaflets. The police hurried to the spot and charged upon the rioters, wounding one Chinese and dispersing others.

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Hongkong, Sept. 29 (10 P.M.)—Dr. C. C. Wu, resigned Chinese Minister to Washington, accompanied by

(Continued on page 197)

International Reaction to Japan's Attempt to Seize Manchuria

NO more pointed comment on Japan's seizure of Manchuria has been made than that of Senator Borah of Idaho in a speech delivered at Moscow, Idaho, on September 24, "If Japan had ten times the reasons she alleges for entering Manchuria she would, nevertheless, be violating international law, the Versailles Treaty, the League of Nations covenant and the Kellogg Pact." That damning indictment is upheld by the whole of the western world and before some court, if only the court of public opinion, Japan will be compelled to stand and give answer; an answer not in the line of the evasive, impudent and childishly naive statement such as was issued by the Japanese Government on September 24. It was a mendacious document which, fortunately for China, will do more to damn Japan's case (if she has one) than anything that could have emanated from Tokyo. But of that more later.

The world reaction to the invasion and occupation of Manchuria has been unanimous and comforting. There still is in international relations a sense of decency and fair-play, a determination that the wolf shall not have the right to swallow the lamb merely because superior strength and a voracious appetite give him the desire so to do. The League of Nations adopted a remarkably fair attitude. After discussing the affair it authorised the President of the Council to telegraph to both the Japanese and Chinese Governments an urgent appeal to refrain from any act which might aggravate the situation or impede a peaceful settlement, to try, in consultation with Chinese and Japanese representatives in Geneva, to find adequate measures which would enable the two countries to withdraw their troops and to forward the minutes of the Council discussions to America for the information of the United States Government.

There was never any doubt that America would fail to back up the action and attitude of the League of Nations. Col. Henry Stimson, who from Washington had doubtless been closely watching the course of events, caused to be delivered in Tokyo what can only be interpreted as a stern warning to Japan in which he intimated that the extension of military operations following the initial clash in Mukden "appeared to lay a serious responsibility upon Japan." That is a significant point, as also is a clause which precedes it—that the situation is a matter of grave concern, morally and legally, to other Powers. In other words the day of pirating Imperialism is past and when Japan decides to kick international law and peace pacts into the Pacific ocean and to start upon a career of territory grabbing with wanton destruction in the process she must remember that the eyes and ears of the western hemisphere are trained in her direction.

There is no doubt that the attitude of more than half the world, as exemplified in the League of Nations, combined with the attitude of America have had a remarkably calming affect in this country and done much to cut short the wave of indignation which gradually but forcefully was gathering strength to break in a storm. Had that storm broken no one knows what might have happened. An angered and embittered people might have staged retaliatory measures that would have been deplorable however understandable. The certainty that the rest of the world is determined to see fair-play in a country that has too long been the cock-pit of Asia has been an incalculcable factor in the cause of peace. The matter stands where it should stand. There is but one aggressor, and she has to answer the charges that were so succinctly stated in the remark of Senator Borah. In reply to the League of Nations telegram China replied briefly and to the point: she was not the aggressor, that the only Chinese troops movements had been to avoid clashes with the Japanese and that the National Government desired nothing better than that the League should continue its good work and endeavor to achieve a settlement.

That too is another significant point in this affair. China is content to abide by the decision of a third party—the League. Japan asserts she wants no third party interference. If her hands are clean why does Japan object to the League's efforts to settle the affair? Both she and China are members of the League and have signed the Covenant; both are signatories to the Kellogg Pact. China desires for a third party, the League, to enter and see what there is to be seen and to pass a decision. She stands in no fear of the result. Japan apparently scorns the assistance of the League of which she is a member. Could self-condemnation go further?

Let us look at the statement of the Japanese Government, not issued until September 24. Let Japan be judged by the words of her Government and the actions that Government has authorised. "The Japanese Government have constantly been exercising honest endeavors in pursuance of its settled policy to foster friendly relations between Japan and China and to promote common prosperity and well-being of the two countries." Of course the best way to do this is to prepare a military coup so efficiently planned that for no valid reason the Japanese military machine can and does put a strangle-hold on Manchuria in 24 hours—a feat no other military force in the world could have accomplished so efficiently in so short a time. This is one of Japan's friendly acts, "designed to promote common prosperity and well-being," though how prosperity is to follow in the footsteps of an act that paralyses all trade in south Manchuria is something the Japanese Government statement does not attempt to explain. Later the statement complains that the impression has gained strength in Japan that her "fair and friendly attitude is not being reciprocated by China in like spirit." Fortunately not. What precisely does the Wakatsuki Government mean by that highly ambiguous statement? Is she suggesting that China should also "pursue a settled policy to foster friendly relations" and send an army to overrun Korea? This is precisely what "reciprocity in like spirit" would indicate. But Japan means nothing of the kind. She has attempted for years to set up a joint partnership

in Manchuria and because China resents it China is not reciprocating "Japan's fair and friendly attitude."

Then comes Japan's story of the destroyed railway tracks, a story that has never been proved and which the Chinese as stoutly deny as the Japanese assert. But let that pass for the moment. The Japanese Government then naively goes on to say the situation was critical because there were 220,000 Chinese troops in juxtaposition to only 10,000 Japanese troops and in consequence hundreds of thousands of Japanese lives, of those Japanese residents in Manchuria, were in jeopardy. We are led to believe the situation was terrible and at last we begin to sympathise with the Japanese—perhaps. But in the next sentence we read that the poor ten thousand walked over and disarmed the Chinese force. Presto, in the course of a night the critical state has been resolved and hundreds of thousands of Japanese lives are no longer in jeopardy. So the situation has gone far enough. But did the Japanese stop there, having accomplished their alleged purpose?Not at all, they proceed to occupy every place of importance in the country and in the course of it take over control of all the Chinese railways in the country south of Changchun. Trouble, if trouble there was, could easily have been confined to Mukden but it was not Japan's intention to confine the trouble to Mukden but to spread it as far as possible in the shortest space of time.

A little later the Japanese statement says that urgently necessary measures having been taken "our troops were mostly withdrawn within the railway zone. There still remain some detachments in Mukden and Kirin and a small number of men in a few other places, but nowhere does a state of military occupation exist."

This is a bunch of palpable lies as its authors well know. No observer in Mukden has yet observed Japanese troops getting back into the railway zone. If the small detachments "now in Mukden, Kirin and a few other places" are sufficient for Japan's purpose why not withdraw to Korea the division of troops that the War Office shot over the frontier and into Mukden before the Cabinet knew about it? It is common knowledge that very few Japanese troops remain in the South Manchuria Railway zone, for every town of importance is under military occupation, the Japanese militarists putting up in each place a few puppets at the point of the bayonet in order to be able to claim that the "maintaining of peace and order was left in the hands of the local Chinese organisations under the supervision of the Japanese troops."

Japan is anxious to assert that she is acting as a policeman in Manchuria. Let us examine the policing "duties" she feels called upon to perform. Without warning on the night of September 18 she starts to bombard with artillery and attack with infantry a peaceful city in a foreign country. Having completed a military occupation and brought trade to a standstill she starts to "clean-up" all Chinese troops her aeroplanes can spot. The well-known *Nippon Dempo* news agency in a message from Mukden dated September 23 and appearing in the *Japan Advertiser* states:

> "From two to three thousand Chinese infantrymen and cavalrymen were concentrating in the vicinity of Hotza, a village near the road between Tiehling and Fushun yesterday morning, This was discovered by a Japanese military plane which dropped several bombs, inflicting considerable loss on the Chinese troops."

Having carried out various "policing duties" of this sort Japanese troops turn their attention to defenceless refugees fleeing the cities they have made uninhabitable. Foreign travellers, including British subjects, tell terrible tales of their experiences in trains running from Mukden to Tientsin. Mr. J. D. Thomson, a British subject, manager of the Peking Mukden railway, tells how Japanese aeroplanes flew over a train in which he was travelling, bombed it and then sprayed machine-gun bullets down the length of the train, killing two Chinese and wounding many. Mr. Thomson examined the train and found two of the cars "profusely spattered with bullet marks."

In addition to these "policing duties" the Japanese troops have found it necessary to "live on the country." A well-known and highly respected foreign citizen of Mukden, who for obvious reasons does not desire his name to be known, asserts that Japanese troops everywhere in Mukden are searching people in the street and extracting money in every possible instance. Our informant himself was subjected to this treatment. The world depression is hitting Japan as well as other countries. No doubt General Minami and the Japanese General Staff desire to run the occupation of Manchuria as cheaply as possible and make such profit as is a commensurate return for so kindly maintaining peace and order in a neighbor's land. Besides that sounds politer than the good, sound, unambiguous English word, robbery.

But the Japanese military machine forgot all about foreign opinion and influence. Fortunately the Leaugue of Nations Council sat at, for them, an inopportune moment and the occupation of Manchuria got more of an airing than they bargained for. In addition the foolish Chinese took no retaliatory measures against the invading troops and so, quite unfairly robbed the Japanese militarists of an excuse for an extension of their frightfulness. It is true that the League after pouring oil on the troubled waters has left the two countries to find a settlement of the present affair but Japan has felt the cold gaze of Europe and seen the frown of America and now that she knows all her actions are under the searchlight of the League her main aims in Manchuria are defeated and she is forced to act more in accordance with the international undertakings to which she signed her name falsely. That she has something to hide in Manchuria is obvious from her clownish activities since the League took a hand. From the first she sent nervous and excited communications to Mr. Yoshizawa in Geneva to fight League intervention tooth and nail and when the League suggested the sending of a League Observer to Manchuria the Cabinet panicked and urgently wired Geneva with half a dozen false excuses for not taking this action. Japan is a member of the League, whose chief business should be the peaceful settlement of international disputes. If Japan has a "case" in Manchuria that is above board and

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Situation in Flooded Areas Improves

Owing to the incidence of important political and financial events in other parts of the world, the amount of news carried by the various press agencies concerning the floods in China, has very much dwindled. The flood, as such, is now a thing of the past. The waters have receded to their banks, but huge areas of flooded districts remain in all parts of the Yangtsze Valley, where the land is low. The work of reconstruction is quietly going on, not nearly so much heralded to the world as was the news of the destruction, but such is usually the case in the presentation of the world's news.

The main task before the Chinese nation at present is to prevent epidemics of diseases.

The cholera situation in the Wuhan area has abated somewhat as the result of efforts being made by the officials of the Department of Hygiene and Sanitation under Dr. P. Z. King. Compulsory inoculation campaigns, isolation of cases, sanitary and quarantine measures are all helping to limit the spread of the epidemic. In this connection Dr. Wu Lien-teh is proceeding to Hankow and stopping at such important centres as Kiukiang and Wuhu to study the situation and to recommend additional measures if they are deemed necessary.

Colonel and Mrs. Lindbergh, at the request of Dr. J. Heng Liu, director of the Department of Hygiene and Sanitation of the National Flood Relief Commission, are flying to Hankow beginning of next week. Dr. B. Borcic, health expert of the League of Nations and Weishengshu, will accompany them. On the way they will stop at Wuhu to inspect the field work being done in connection with medical relief which Dr. Brown of the Wuhu General Hospital has been carrying on under the auspices of Dr. Liu's department. After arrival in Hankow the Health Department will make use of Col. Lindbergh's plane to make further surveys in the surrounding flooded districts of Wuhan and particularly along the Han River.

The Hankow Bureau of Public Safety gives the number of flood refugees in the Wu Han Area who depend upon the Government for food and clothing as 183,000. A number of sufferers, quartered near the Changkung Dyke having been without food for days, the Gendarmerie Headquarters dispatched a communication to the Flood Emergency Relief Committee for adequate relief.

The *s.s. Hannah Moller*, the Hospital ship sent from Shanghai by the International Flood Relief Committee, arrived at Hankow during the week.

It is announced at the Wucharg-Changsha Railway Administration that the flood waters inundating the Yuchiawan-Hsienning section of the Railway have now completely subsided and the tracks repaired.

Extent of Flood Disaster in Shantung

Information regarding the extent of the flood disaster in Shantung is contained in a report from the Shantung Flood Relief Commissioner, Chang Shao-tang, to the National Flood Relief Commission.

Mr. Chang's report reveals that the areas affected by the floods comprise no less than 46 districts, among which six districts, including Tsining, Yutai, etc., in his opinion, suffered most; while Tingtao, Lincheng, Yucheng and 20 other districts came next. Kaomi, Leicheng and 14 other districts were less seriously inundated than the areas mentioned above.

The relief commissioner made a thorough inspection in the districts where the flood was reported to have done most damages and found that unless adequate funds and relief supplies are promptly provided for these areas, the severity of the calamity will be much aggravated with the approach of the winter season.

Lindbergh Makes Report on His Aerial Surveys

T. V. Soong, chairman of the National Flood Relief Commission during the week made public the following report prepared by Colonel Lindbergh with respect to the flights made by him and Mrs. Lindbergh on September 21 to 23:

On September 21 we made a reconnaissance of flooded area between the Grand Canal and the Yellow Sea. We found this area to extend from Taichow on the south almost to the old bed of the Yellow River on the north. The total area badly flooded here comprised nearly 8,000 square miles.

The walled city of Hinghwa was badly flooded and the surrounding fields were covered with several feet of water. The nearest ground free from flood was over 25 miles south of the city.

Living in Boats

Literally hundreds of small villages throughout the entire area were standing in water which, in many instances, covered all but the roofs. Those inhabitants still remaining were living in small boats moored in the streets. Many people were fishing in the streets and where the fields had been. In frequent instances the walls of the houses had collapsed.

When we flew over this area, the wind had whipped up waves over the field and the few remaining dykes were being eroded rapidly.

Thousands of refugees had congregated along the dykes lining the Grand Canal and on an uncompleted road just south of the flood area. Many had gathered in all the cities both within and bordering the flood.

On the east the flood waters had almost reached the sea and in the far northeast section they were only held in by the dykes which had originally been constructed to keep out the high tide from the sea.

The water was pouring with high velocity through numerous breaks in the Grand Canal into this area and there were no signs of receding levels east of the Canal.

On September 22 we flew over the area west of the Grand Canal. In the upper section of the Hwai River the floods were receding and, in places, the water was within the river banks. Wherever the flood water had drained off, the inhabitants were reploughing the fields and repairing what was left of their homes. The crops in the area of actual flood had been completely destroyed.

As we approached the Grand Canal from the west there was very little sign of lowering water level and no fields were drained sufficiently to be ploughed.

In all, there were several thousands square miles west of the Grand Canal completely flooded and much more where the crops had beer severely damaged.

South-West of Nanking

On September 23 we covered two district south-west of Nanking. The first, which contained the cities of Taiping, Wuhu, Keashun and Suiyang east of the Yangtsze, was badly flooded. The city of Wuhu had suffered worst. Water was standing in the streets of the walled city of Taiping and in Kaoshun and Suiyang. In the country districts many houses were in water almost to the roofs and many had collapsed. Over several hundreds of square miles the conditions were similar to those east of the Grand Canal. There were, however, high points of land and hills much closer to the flooded area than in the Grand Canal district, and many refugees had constructed temporary shelters just above the water-line.

The second area was west of the Yangtze in the district around and south of Chao Lake. The floods had again caused great damage in hundreds of square miles in this district. The city of Chaohsien, however, was only partially flooded.

Col. Lindbergh's Party Roughly Handled by Hungry Mob

Col. Lindbergh when he returned to Nanking from a flight over Kiangsu province September 26, reported the experiences of himself, Dr. J Heng Liu and Dr. J. B. Grant of the Rockefeller foundation.

The party took off from Nanking shortly after noon and returned shortly after three o'clock. It was the intention to drop the two doctors at Kaoyu on the Grand Canal but the plane did not land there and instead went on to Hinghwa, a badly devastated city in North Kiangsu. When the plane came down on the flood water there was a tremendous rush of people in sampans, all believing that at long last supplies of food had come.

The city is so badly flooded that the people live in all kinds of boats, the nearest dry land being 25 miles away. They have been isolated for a month. When Dr. Liu climbed out of the plane with a bundle of drugs and medicines scores of sampans crowded round thinking the package was food and literally hundreds of craft came rushing across the water from all directions.

Dr. Liu jumped from sampan to sampan seeking to avoid those who would snatch his parcel of drugs from him. There was nothing malicious in their intentions; they merely wanted food.

The situation became serious and Col. Lindbergh, becoming fearful for the safety of his plane, finally

decided to get away, for the doctors could do nothing among such a clamorous mob. Dr. Liu's medicines were left to the mob. Lindbergh finally managed to maneuver into a space clear enough of sampans to get a run. The machine soared into the air again and his plane headed for Nanking.

Col. and Mrs Lindbergh were entertained at tiffin by Dr. J. Heng Liu, at Nanking September 27. Dr. J. B. Grant and Consul-General and Mrs. Peck were present.

Wheat From U. S. A. to be Used for Charitable Purposes Only

T. V. Soong, Minister of Finance, chairman of the National Flood Relief Commission, has made public the text of the terms that have been agreed upon with respect to purchase of wheat by the National Government from the U.S. Federal Farm Board for use in flood relief in China.

These terms are as follow:

"(1) The Grain Stabilization Corporation with the approval of the Federal Farm Board agrees to sell and the National Government agrees to buy 450,000 short tons of No. 2 Western White Wheat, to be loaded in bulk, F.O.B. United States Pacific Coast ports.

"(2) The seller reserves the right of furnishing not more than one half of the above quantity in the form of flour at a comparable price.

"(3) Deliveries to the buyers will be made by the sellers tendering wheat to the United States Pacific Coast ports to be determined by the seller and in accordance with the following schedule: 90,000 tons during the remainder of September and during October; 75,000 tons monthly during November to February inclusive; and 60,000 tons during March. The date of delivery during the respective months will be at the option of the buyer. The buyer will give the seller five day's notice before tendering each vessel.

"(4) The price for each shipment will be the current market price on the day of issue of ocean bill of lading F.O.B. at the port of loading.

"(5) The buyer will pay for the wheat and or flour tendered by delivering to the designated agent of the seller obligations of the Chinese National Government bearing the same date as that of the ocean bills of lading covering each shipment. Such obligations shall be payable both as to principal and interest at New York in United States gold dollars. The obligations will bear interest at the rate of four per cent per annum, payable on June 30 and December 31 of each year, and one third thereof shall mature December 31, 1934, one-third thereof shall mature December 31, 1935, and one-third thereof shall mature December 31, 1936.

"(6) The buyer will appoint an agent to deliver to the seller temporary signed obligations in respect of shipments made on each date. These temporary obligations will be consolidated as soon as practicable into three definitive obligations as set forth in item 5.

"(7) The wheat and the flour, if any, will be used by the buyer exclusively for charitable purposes in the flooded areas of China.

"(8) American flag vessels shall be used for the transportation of the wheat and or flour unless vessels of other flags are available at port of loading at the time of proposed shipments in accordance with the schedule set forth in item 3 on terms more favorble to buyer than the terms offered by American flag vessels. Arrangement for shipping shall be made by the buyer through a representative designated by it under open bids or other arrangements conducted and completed in a manner approved by the American Commercial Attache at Shanghai designated to act for the seller."

Huge Opium Seizures at San Francisco

Customs officials at San Francisco on September 25 seized 450 ounces of opium aboard the Dollar line steamship *President Pierce* upon the arrival of the vessel from the Orient.

Simultaneously, customs officials seized 215 ounces of opium aboard the steamship *President McKinley*. Ship's carpenters and room boys, as well as other employees of the vessels, were arrested. A *United Press* telegram says that the "tip" which led to the arrests came from the Orient.

Student Mob Attacks Foreign Minister Wang

(Special to the China Weekly Review)

Nanking, Sept. 28. — Dr. C. T. Wang, Minister of Foreign Affairs, this morning was slightly but painfully injured on his forehead when over 3,000 students, girls and boys, braved the drizzling downpour and staged a near-riot in front of the Foreign Ministry Building. Serious disturbances were averted with the arrival of police squads who stopped the furious youths only after they had badly damaged Dr. Wang's office and smashed many window panes.

Most of these students are of the Central University, government institution. They, joined by other girls and boys, marched from their schools, about a mile away, towards the foreign office early in the morning, arriving there when the office opened.

Flags and banners, inscribed "Down With Japanese Imperialism," "Down with Non-Resistance Policy," "Down with Wang Cheng-ting," "March towards Tokyo," and others were carried by the students who also shouted slogans of a similar nature.

Eight police constables who are the ordinary guards standing by failed to check their "advance." The students ignored all requests but marched into the compound, waving their flags and shouting slogans at the top of their voices.

A group of the students, being familiar with the location of Dr. Wang's offices, simply marched into the room where they met the foreign minister. After a short harangue, they demanded Dr. Wang to present himself to the students who were waiting outside the house.

Dr. Wang apparently refused and the students resorted to force. They seized Dr. Wang by his lapels and pulled him down from the stairs. Confusion followed. The students converted Dr. Wang's office, documents and funiture into a terrible mess.

The students, in making their way to the National Government building, said they wanted to "see the leaders and ask them to remove Dr. C. T. Wang, the Foreign Minister of no policy and weak-kneed negotiations." Meanwhile, the police squads arrived in two vans and got the situation under control. No force was used and the students were beginning to leave the Foreign Ministry when they arrived.

Leaving Dr. Wang nursing his wounds, the students paraded in long procession to the government building. Dr. Wang later was assisted to a hopsital and although no official statement was issued, he intimated a desire to resign from his post.

The students were joined by another group of 700, who arrived from Shanghai early this morning. They are from the Fuh Tan University, Kiangwan, under the leadership of faculty members. As they were marching into the compound, Yu Yu-jen, president of the Control Yuan, appeared to receive their representatives.

Wearing a long grey beard, Mr. Yu, fresh from the Weekly Memorial Services, mounted a table and listened to the pleas of the students, which include the immediate declaration of a war on Japan, immediate dismissal of Dr. Wang, and a truce with the Canton faction.

"China will never be enslaved by the imperialists," Mr. Yu declared in reply. "Your today's spirits convinced me that China will be able to fight and overcome all the difficulties, internal and external."

Mr. Yu then reported to the students that the government, while studying plans to effect a peaceful settlement of the dispute through the League of Nations and the signatories of the Kellogg Pact outlawing war, also has discarded all personal or factional differences to form a united front against the aggressors. He also declared that that there is no doubt that Hu Han-min and also the southern leaders will cooperate in the emergency in disregard of their personal opinions and political differences.

Following Mr. Yu, General Chiang Kai-shek ascended the platform and delivered a lengthy speech. The people must remain calm and be prepared for all actions the government may take, he urged. He also intimated that discipline is the most important element in the salvation of the nation.

The Chinese Language in Fifty Ten-Minute Lessons !

BY PROF. W. A. SCHARFFENBERG

Lesson No. XXXVIII

WHY STUDY CHINESE

The Chinese government has during the past few years made Chinese the legal language binding on all residing within the confines of the Celestial Empire. One department after another has declared that all official documents and announcements would from now on be issued or drawn up in Chinese, and that in all legal disputes English will no longer be recognized in dealing with foreigners. This alone demands that every foreigner planning to engage in any enterprise in China, should acquire a knowledge of the Chinese language.

Are you interested in becoming efficient in the use of the Chinese language? If so, take full advantage of the five year course of study offered by the Home Study Institute.

CHARACTER STUDY

2 民 186

Character No. 186 (民2)

The people, the masses, the multitude.

Pronounced (I.P.S.) *min* (R.) min. Some claim that this character is derived from 母 meaning mother, and consisting of a large number of sprouts which refer to her offspring. Hence the ideaof multitude, the people, the children of the mother.

3 給 187

Character No. 187 (給3)

To give, to grant.

Pronounced (I.P.S.) tzi and kg (R.) chi and kei

A combination of 糸 radical No. 120 for silk or fine floss and 合 united. Used for to give, to grant, or bestow.

4 病 188

Character No. 188 (病4)

Sickness

Pronounced (I P.S.) *pin* (R) ping. Made up of 疒 radical No. 104 for disease and 丙 the third of the ten stems. Used in connection with all sorts of diseases and sicknesses.

4 告 189

Character No. 189 (告4)

To tell, to indict, to announce, to to impeach.

Pronounced (I.P.S.) kaɣ (R.) kao. The idea of doing with 口 the mouth what is generally done by the horns of 牛 the ox. Hence the idea of indict, to impeach. By extension it is used in the sense of to tell.

4 訴 190

Character No. 190 (訴4)

To tell, to accuse, to make known.

Pronounced su

A combination of 言 words, and 斥 to expel. Hence the idea of to accuse, to tell or make known. Using words drive away or expel those that are not wanted.

SENTENCE WORK

598. 人民 — Mankind in general
599. 民國 — The republic.
600. 民主國 — A republic.
601. 國民 — Citizens of a country.
602. 歸還 — To repay or hand back.
603. 送回 — To give back.
604. 還他 — Give him.
605. 還我 — Give me.
606. 好了 — Gave, given.
607. 生病 — To become sick.
608. 有病 — To be ill or sick.
609. 病好了 — Cured.
610. 病人 — A sick person.
611. 告訴 — To tell to.
612. 告知 — To notify, to inform.
613. 說病 — To ask for sick leave.
614. 訴人 — To accuse a person,
615. 訴說 — To report in detail.

VOCABULARY LIST

385. 中國是不是一個民主國 — Is China a republic or not?
386. 是一個民主國 — She is arepublic.
387. 中國的國民不少 — The citizens of China are many.
388. 生病的人多的很 — There are very many sick people.
389. 有人告訴我在上海有四百病人 — I have been told there are 400 sick people in Shanghai.
390. 我也生了病 — I, too, have been taken ill.
391. 他的病還沒有好了 — He is not cured yet.
392. 請給我看 — Please let me see.
393. 我不要你看 — I don't want you to look.
394. 爲甚麼 — Why?
395. 因爲我的病是不可以好了 — Because my disease cannot be cured.
396. 好好就是了 — Very well, we will let it go at that.

READING LESSON XIII

念 課

第十三課 講價錢 (下)

到舖子裏頭買東西的時候 還有一些別的法子 我現在要一樣一樣的告訴你們 買東西的時候 不但是講價錢 還要看看東西好不好 比方第一回到一個舖子裏去 問甚麼價錢 也要看東西怎麼樣 後來再到第二家去 兩個舖子的東西比比看 那一家的東西好 價錢也便宜 那麼我們就買那子個舖的東西你們想對不對

These simple lessons in the Chinese written and spoken language, the first of which appeared in *The China Weekly Review* on Jan. 17, will appear throughout 1931. Persons interested in a more intensive study in class work or by correspondence are requested to communicate with Prof. Scharffenberg, are THE HOME STUDY INSTITUTE, No. 25 Nihgkuo Road, Shanghai.

The Japanese Occupation of Manchuria

BY A. A. R.

ONE of the most glaring injustices of our time took place on the night of September 18, Saturday, when the Japanese army suddenly opened warlike operations against the Chinese troops of Mukden and, after minor engagements with the latter, occupied the whole city and its environs, now being in full control of what a week ago was the capital of Manchuria. The direct cause of such a drastic and highly provocative action was, according to the Japanese version, an attack by a detachment of the Chinese army upon the Japanese controlled S. M. Railway, at a spot not very far from the Railway Town, in the course of which the Chinese are alleged to have succeeded in blowing up the railway track, thus interrupting the operation of trains. This allegation, is however, strongly refuted by the Chinese side, which declares that no attack whatsoever was made by the Chinese forces upon the S. M. Railway tracks and that such an allegation is a deliberate fabrication on the part of the Japanese to justify their uncalled-for action in the eyes of the world.

That Japanese militarists would take a drastic step in Manchuria was evident from utterances of responsible persons of the War Office at Tokyo, also military officials stationed in South Manchuria, made well before the crisis came to such a dramatic climax. Suffice it to mention an interview between General Kanaya, Chief of the General Staff, and General Minami, War Minister, which took place on September 15 at the War Office in the course of which General Kanaya is reported to have said:

300 Questions to be Solved

"This is the most ideal opportunity to settle the pending Manchurian and Mongolian issues en masse. If we lose this chance, the solution of many unsettled subjects will never be expected. We must take a determined attitude and try to solve more than 300 problems one after another, and we want a final solution to each question. At the same time, the Chinese contempt of the Empire must be removed."

This quotation is taken verbatim from *the Osaka Mainichi* for September 17 and clearly shows that Japanese militarists sought an opportunity to raise trouble in Manchuria,—merely looking for an excuse to occupy important centres as a guarantee for the solution of all pending issues. The working up of public opinion in Japan to justify such an action has been going on ever since the Wangpaoshan affair, the massacre of Chinese in Korea, the Tsingtao trouble, for which purpose all sorts of propaganda have been found handy, including the sending of special delegates from Manchuria to visit important cities of Japan Proper with a view to arousing anti-Chinese feeling, not to speak of vigorous campaigns in the jingoistic part of the press. Thus the attention of the Japanese public had long ago been turned to the situation in Manchuria, where the Japanese rights have been described as being violated and that, in order to safeguard them, the nation should rise in arms.

The turning point was reached in the alleged murder of Captain Shintaro Nakamura of the Japanese General Staff, which was contested by the Chinese side from the very beginning as having never taken place. However, the third Chinese commission of investigation, sent out to the place of murder, Inner Mongolia, reported confirming the correctness of the Japanese version, which was at once unofficially conveyed to the Japanese Consul-General in Mukden, Mr. Hayashi. *The Osaka Mainichi* quotes the above given interview as having taken place just after receipt of said unofficial confirmation at Tokyo and the paper continues:—

"It is said that General Minami heartily supported General Kanaya's suggestion and the opinions of the two leaders of the Army were one. The two generals further exchanged their views as to how to persuade Foreign Minister Baron Shidehara to consent to the Army's plan regarding Manchurian and Mongolian question. The result of the Army's firm determination to effect a speedy solution of all the pending problems is closely watched by the nation, as the state of things at present including the aroused public opinion in the Empire is making it highly desirable to put an end to the misunderstandings between Japan and China."

Japanese Are Aggressors

Thus, according to *the Osaka Mainichi*, well informed in the opinions of the military party, Japan was about to adopt a certain, well-planned action, purported to tame down the Chinese, when an alleged incident, the blowing up the S.M.R. track, took place—which served as a direct cause of the Japanese attack upon the North Barracks and the city itself. Giving no credence to the Japanese allegation of the cause of the warlike operations we might, however, cite for the sake of historical truth a proclamation, issued by the Commander-in-Chief of the Kwangtung Army, Lieut.-Gen. Honjo, which reads thus:—

"At 10.30 p.m. on Sept. 18, 1931, Chinese soldiers of the North Barracks, Mukden, blew up the S.M.R. track, then attacking the Japanese Railway Guard. The concession relative to the S.M.R. Line has been acquired legitimately by Japan by treaty. The above outrages by the Chinese regular soldiers are an open challenge to Japan in breach of the ordinary international good faith. It is plain that the Chinese soldiers who have been taught to presume too far on the Japanese forbearance deliberately plotted the said outrages. If we were to overlook them, Japan's vested interests in Manchuria and Mongolia would be undermined.

"Answering for the protection of the S. M. Railways, I have been forced to adopt the drastic course in order to safeguard Japan's acquired rights and uphold the prestige of the Imperial Army. However, what we wish to discipline is the Northeastern army. The general populace should rest assured of our absolute protection and should follow their daily avocations without the slightest fear."

Speaking of the alleged blowing up the railway track no Chinese or foreigner would entertain even a slightest probability of such a blunder on the part of Chinese army at the moment, when the relations between China and Japan become so strained and when it is evident that China is no match for Japan in the open field. It is everybody's opinion in this city that the damage done to the railway was perpetrated by other parties than responsible Chinese authorities.

That the blowing up of the track, if it ever took place, had served as a mere excuse for the Japanese military to move troops to seize important Manchurian cities according to a well pre-arranged plan is evident from the following facts, as reported in the Japanese *Manchuria Daily News*, Dairen, which we quote in the absence of any Chinese or foreign version:

(1) The alleged blowing up occurred at 10.30 p.m., September 18, Saturday night, immediately followed up by the atttack upon the Chinese city.

(2) Attack upon Nanling Barracks, near Changchun, was started about the same time, the Chinese resisting till 5 a.m., when they could be disarmed.

(3) In the early hours of September 19, a detachment of Japanese troops at Yingkou (better known as Newchwang) ferried across the Liao River and seized the Peiping-Mukden Raliway station.

(4) By 6.00 a.m. of the same morning the Chinese part of Antung was in hands of the Japanese military.

(5) At 2.00 a.m. a detachment was dispatched to Fenghuancheng, a little distant from Antung towards Mukden, and took it without resistance.

The above shows that it was the Japanese plan to seize all important Chinese centres of Manchuria as soon as word was given from Mukden. Had it been a mere local clash at Mukden, as the Japanese statesmen and press picture it now, no attacks would have been delivered by Japanese upon a half dozen of other places and almost simultaneously. Then the clashes would have been localized in and around Mukden, without spreading to other places, where the Chinese trops did not show any sign of hostility.

Mukden After Occupation

One has to admire the calmness of the Chinese populace; the whole day of September 19 Mukden was in a policeless state, the Japanese guarding only the principal thoroughfares, and no incident occurred, where-

(*Continued on page 196*)

The Present Opium-Narcotic Situation

BY R. Y. LO (羅運炎)

V

OFFICIALLY China has banned from the realm of law the production, sale, transportation, and consumption of opium, but a study of the actual situation reveals the fact that there is much evidence of opium in the provinces either under military encouragement or with military connivance. The general opium condition is decidedly bad. It would be ignoring the facts to state otherwise. On the side of the Powers, the situation, is not any better. Although the Powers have officially prohibited the importation of opium into China, it is also a matter of record that vast quantities of the drug are smuggled into the country from Japanese, British, French, Portuguese and Dutch Possessions. It is evident that mutual recrimination would not in the least improve the opium situation in China. What has been wanting is sincere co-operation of all Governments concerned to seek a solution of the opium situation at the same time.

So far as China is concerned, it must be recognised that the Central Government is not responsible for the deplorable condition, although Government suppression does not live up to our expectations. The present opium situation owes its existence to the general confusion after a great political upheaval. It is an incident of political strife and virtual provincial independence under military leaders. It is also a concomitant of disturbed fiscal conditions. The writer believes that once the political confusion is cleared up and military influence overthrown, the present anomalous opium situation which is only one of the evil symptoms of the existing disruption which is temporary will right itself and show rapid improvement.

In reviewing the present opium situation in China we can do no better than to consider the subject under three heads:

a. Production of opium at home;
b. Importation of opium from abroad;
c. Importation of opium derivatives such as morphine, heroine, and other narcotic drugs.

That opium is still being produced in some of the corner provinces which have yet to come under the effective control of the Central Government cannot be denied. In spite of orders from the Central authorities and protests of the people, taxes on poppy land, taxes for sale permits, and taxes on individual pipes, together with heavy fines on those in opium traffic found without official license, constitute a big source of revenue in these unwieldy provinces. Some of the conscienceless militarists seem to find in the cultivation of poppy a very profitable business despite the fact of the dread of famine that is likely to occur. It has been reported that the opium crop in one of the far away districts, viz., Suiyuan, bordering Shansi province and Inner Mongolia, reaped a crop of opium last year, totalling something like 20,000,000 ounces of silver, according to estimates by competent observers. It is common knowledge that poppy still is to be found in Jehol, Suiyuan, Shensi and Kansu provinces in the north, and Szechuen, Kweichow, and Yunnan provinces in the south. Encouraging signs of progress, however, are not altogether lacking. As a result of the enforcement of the Opium Suppression Act and Regulations promulgated by the Central Government three years ago, there has been marked progress made by the provinces where authority of the Central Government holds its sway. This is especially true of the three provinces in Manchuria, and Fukien, Chekiang, Kiangsu, Anhui, Kiangsi, and the two Hu provinces in the south. Some major production districts of these provinces where the fields were once adorned with beautiful poppy flowers are now practically free of the plant.

Finding a Market for Homegrown Opium

Since opium is being grown in the remote inland provinces of China, a market must be found for its disposal. While the opium grown in the north find its way to the more populous centers through the two trunk lines of Peiping-Hankow and Peiping-Pukow Railways, the opium grown in the south is either shipped by vessels on the Yangtsze River or by sea routes. Owing to its source of supply and the convenience of smuggling, the illegal traffic on the Yangtsze is by far the more important. So intricate have the ramifications of the traffic become that nationals of almost all nations are involved. The traffic has reached such astonishing proportions that authorities are powerless or unwilling to interfere. It is usually backed up by military organisations which have practically a monopoly of the trade, and allow huge consignments of the drug to pass through their territory without molestation, or facilitate the passage with armed protection. Not only have the officers in the Shansi army been found engaging in the opium traffic, but business men of that province, too, have found it to their great advantage to enlist in the army, so that they can carry on the sale of drugs without fear of arrest. The traffic in opium is so lucrative and profitable to the many generals now operating in China that military movements are sometimes made the camouflage to escort large shipments of opium to cities where it can be sold.

Returning to the traffic on the Yangtsze, it is an open secret that hardly a mercantile vessel reaching Shanghai from Hankow does not carry some amount of the contraband. In the upper reaches of the river, that is, between Chunking and Ichang, opium is conveyed by means of junks and from Ichang to Hankow the drug is carried down by both steamers and junks dependent on the height of the water. From Hankow downwards, the traffic becomes more and more involved. There appears to be some system of communications from port to port, by which members of the opium ring learn by which steamers the drug is being shipped.

The way of smuggling is very interesting as will be shown in the following story told by a passenger who learned the tricks of the smugglers through the captain of the boat on which he was travelling:

An Expose of the Art of Smuggling

"Our conversation turned on the opium traffic and the captain assured me that every ship moving on the river carried some contraband of opium. We went into the captain's bath which opened out on the bridge and in front of which the pilot stood all day. There was nothing there that looked incriminating. One blank wall, another bearing a fire axe, a third holding a towel rack and a picture and the fourth being the door. We noticed nothing, but the captain pointed to a small protruding nail sticking out close to the ceiling over the fire axe. He took hold of it and in a moment pulled it out with little difficulty. Then he grasped the wall at each side and 1 lifted the whole thing out for our inspection, fire axe and all. There was a space there perhaps five feet wide, ten inches deep and eight feet tall. It extended from the floor to the ceiling. The captain estimated that it could hold perhaps four to six hundred pounds of opium. The smuggling was discovered one day when curiosity impelled the captain to make the attempt. It was as ingenious a trick as one could imagine—the captain's bath, the one part of the ship where the searchers spent little time."

The captain went on to tell of an actual seizure made by searchers on board the steamer. It was related as follows:

Three foreigners had come on as second-class passengers travelling with the Chinese and one of these was carrying a large violin case in addition to a cumbersome mass of baggage packed in a large wicker basket. The searchers looked the Chinese over and one bolder than the rest, asked the foreigners to move his seat, which he refused to do. The searcher said nothing to the three but went away and came back with four soldiers with fixed bayonets. A similar request met with refusal until the bayonets came into play when the gentlemen moved. While one searcher was looking under their seat another unbeknown to them was prying the wicker basket apart and inserting his nose. Suddenly he gave a wry smile. The others crowded around and sniffing was the order of the moment. Then they smashed open the bundle and soon produced a heavy package of raw gum opium. Meanwhile the three had urgent business elsewhere but again the bayonet came into play. Still sniffing the searcher turned his attention to the violin case and this yielded the richest find for it was packed full and the looked-for violin was not to be seen. The three were then marched off to be taken care of by proper authorities.

How opium is landed ashore is also interesting. As the steamer carrying opium is nearing Shanghai, a certain lighter or lighters are sent out to meet her at sea somewhere outside Woosung Harbor Limit. As soon as the steamer is met, a signal is made to the steamer to stop, allowing the lighter to come alongside the steamer to unload the contraband of opium. After the unloading is all done, the steamer sails away from the lighter

and the lighter returns to Shanghai with the load of opium. It can hardly be believed that such practice can continue without the knowledge of those in charge of the ship. Certainly the shipping agent is not free from corruption since such shipment of the contraband does not appear on the cargo invoice so as to avoid the attention of the Customs authorities.

Were statistics available to show the extent of the traffic in opium on the Yangtsze, the figures would surely be appaling to the readers. In the midsummer of last year approximately $100,000 worth of Szechuen opium was seized abroad the S.S. *Luenho*, Indo-China Steam Navigation Company, a British concern, by the Chinese authorities at Woosung. The seizure was made off Woosung Forts as the vessel was entering the harbor from the Yangtsze river. Acting on information received from Hankow authorities that the *Luenho* carried a cargo of opium, the officers went aboard about 3 P. M., and after an hour's search found 19 piculs of the drug consigned to a dealer in Shanghai. The seizure was the second big one of the year, the first having been made in January on the S.S. *Tatung*, also a British vessel of the Butterfield & Swire Company, by Shanghai customs authorities. On that occasion, the authorities made a haul of 7,000 catties, valued at more than $300,000. It is to be recognised that these seizures represent merely a very small fraction of what is actually going on on the Yangtsze River. It is estimated that at least 20,000 ounces of a value of $30,000 are smuggled into Shanghai every day.

An International Combine

The illegal importation of opium into China is more ramified and complicated than the illicit traffic on the Yangtsze. Undoubtedly there is an international opium combine which functions in Shanghai as well as other parts of the world. The large seizures of the contraband as reported from time to time prove that the trade must be a very profitable business or it could not survive the frequent heavy losses resulting from such seizures. Much opium is grown in Burma. Many smugglers find it profitable and easy to smuggle opium by just crossing the frontier. Although exact figures are wanting, there can be no doubt that a large amount of opium reaches China through the opium monopolies of Singapore, Hongkong, and Macao. It has been said that Governments which have colonies in the Far East officially sanction the sale of opium, knowing full well that those who buy it do so for the definite purpose of smuggling the drug into China. It has been learned that since January 1,1928, an many as 30 cases of "large" opium in one lot, and as many as 2,500 cases of red opium in three different lots of 1,000 cases, 800 cases, and 700 cases have been smuggled into Shanghai. Large opium is known to be the Indian opium manufactured in the city of Bombay, which is supposed to be opium of the best quality and enjoyed by the old hand addicts. It is made in the form of a ball, weighing about 40 ounces. For smuggling pourpose it is usually shipped in wooden cases containing 40 balls each. Its market price in Shanghai is about $18 per ounce, hence $720 per ball or $28,800 per case. Red opium is the product of Persia, made in the form of cubes, each cube weighing about 12 ounces. It is sold in Shanghai for about $3 per ounce. It is also packed in tin-lined wooden cases when smuggled, each case containing about 125 cubes. One wooden case contains about 1,500 ounces of opium and is worth about $4,500. In addition to these, there are the "Flat" opium from Vladivostok, Calcutta opium from Calcutta, and Turkey opium form Turkey, as their name indicates. All these foreign opiums command good high prices in Shanghai and find their way into the interior through sub-agents.

According to the League of Nations, a steamer which left the Persian Gulf in May of the present year, carrying 250,000 lb. of opium contained in 2,000 cases was reported to have landed its shipment among the islands off the mouth of the Yangtsze River. After following a devious course on her way to China, the steamer, which masqueraded under different names, is understood to have made for one of the islands at the mouth of the Yangtsze, not far from Shanghai, and transferred the 2,000 cases of opium to the custody of a party of Chinese, some of whom wore military uniforms., and a large sum of money was handed over in exchange.

It is hardly necessary to add that there is little or no mystery about the opium traffic between the Persian Gulf and the Far East. It is a well-established business by which large quantities of the drug are shipped usually to Vladvostok but never reach that or any other disclosed destination. Transshipment is surreptitiously effected at any of the numerous islands that fringe the coast of China, and the prohibited opium is speedily delivered on the mainland. In short, the import of foreign opium, be it Persian or Indian or Turkish, constitute a serious situation in China. There is no indication of its abatement unless a speedy halt is effected by the Powers concerned.

The Peril of Opium Derivatives

The flooding of China with ever-increasing quantities of the opium derivatives such as morphine and Heroin and its allied drug cocaine, etc., which are more deadly than opium, presents a new problem China has yet to face. The craving for these narcotic drugs once acquired has a far stronger hold on the victim than that created by opium, and the easy method used to obtain sales rapidly sweeps enormous numbers of fresh victims into the net, many of them in absolute ignorance of the danger into which they are entrapped, and with not the least intention of becoming addicts.

There are two methods used by the traders in these dangerous drugs. One is by the direct sale of these drugs by hypodermic injections and the other by the manufacture of different preparations, chiefly in the form of pills, which are advertised as panaceas for relieving pain or opium cure. That the Japanese are largely responsible for this kind of business in China is almost common knowledge to all. They are reported to have traveled from village to village, offering to relieve pain and cure disease by hypodermic injections, with the object of extending the sale and ensuring a certainty of demand. With the introduction of this new evil, China seems practically helpless without the co-operation of the Foreign Powers.

It is difficult, if not impossible, to give an exact picture of the narcotic situation in China, but the one presented to Mr. J. Avenol, Deputy Sceretary General of the League of Nations by the National Anti-Opium Association of China, in February, 1929 when the former was visiting in Shanghai, seems to have gotten nearer to the truth, if not the truth itself. Let us reproduce it as follows:

Inversely as the evil practice of opium-smoking is on the decrease through the united effort of the people, the extent of the illicit traffic in, and th use of, narcotic drugs, such as morphine, heroin, and cocaine, is ever on the increase. In the provinces of Shantung and Shansi, where opium-smoking was for a time effectively prohibited, there was to be witnessed at the same time an unexpected growth of the traffic in, and the use of, morphine, heroin, and cocaine, etc., and up till the present, we are informed, these two provinces still form the best market for imported narcotic drugs. This same pathetic state of affairs can be found in practically all other provinces where the new rigid suppression regulations are being enforced. The provinces that are affected most by morphine, heroin, and such other narcotic drugs include Manchuria, Hopei, Jehol, Shansi, Shantung, Anhui, Hupeh, Kiangsu, Chekiang, and Fukien. Morphine and heroin are being taken both in the form of injections and pills, and the addicts to these drugs can be counted by the millions. Practically every day, we receive reports from different provinces, from both the government institutions and people's organisations to the effect that narcotic drugs, such as morphine and heroin are speedily taking the place of the pipe, and that they are left practically helpless.

Let it be remembered that China noes not manufacture any form of narcotics. All that is found on the market is imported from foreign countries. In view of the large number of addicts who counld no longer obtain opium except at exorbitant prices, and illicitly, traffickers in narcotic drugs find in China a wide field for their operation. Hardly a single day passes without something in the press reporting the seizure of illicit drugs here and there. According to a statement of the Advisory Opium Committee of the League of Nations, out of the total seizures of illicit shipments of the narcotic drugs made during the year 1928, fully two-thirds were destined for China. One of the most striking facts of that year was the illegal import of six tons of benzoylmorphine of European orgin, which represented some 600,000,000 doses of the drug for consumption by addicts.

In January, 1929, three consignments of sheet glass and tins labelled "Pure Plum Jam" and "Tinned Meat" were seized by Hongkong authorities, acting on the information from the Central Opium Board of the League of Nations. This seizure revealed an attempt to smuggle 424 kilograms of heroin into China. All the cases came

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from Trieste on the M. S. Hilda. Two of the consignments were bound for Darien, and the other for Shanghai. In June of the same year, a ton of narcotics, valued at £30,000, was seized by the Customs at Marseilles. The drugs were concealed in cases. The seizure was made as the result of information received in Paris to the effect that an international organisation proposed to send a cargo of cocaine, heroin, and morphine from Stamboul to Marseilles, to be transshipped from there for Shanghai. According to the statement of the Chinese Maritime Customs, seizures of narcotic drugs made during the year 1929 were as follows:

Denomination	Quantity (ounces)	(bottle)
Cocaine	406.25	
Morphine	7,311.48	
Heroin	2,247.84	
Thebaine	27	
Papaverin	1.6	
Medicine containing cocaine	56.09	
Papaverin containing opium		42
Codoforme containg opium		49
Calcium soda containing morphia	2	
Morphia hydroch		4
Foreign opium	4,318.5	

Countries from which narcotic sabstances were smuggled

Origin	Denomination	Quantity (ounces)	(bottle)
Japan:	Cocaine		4
	Morphia	36	4
	Heroin	1,548.44	
	Medicine c't'ing cocaine	.09	
	Morphia hydroch	.12	
	Foreign opium	216.00	1
Austria:	Cocaine	230.00	
Germany:	Morphia	4,089.00	24
Switzerland:	Morphia	639 00	
	Thebaine	26 00	
U.S.S R :	Papaverin	1.60	
	Foreign opium	240.00	
Hungary:	Papaverin c't'ing opium		42
France:	Codoforme c't'ing opium	2.00	49
Britain:	Foreign opium	1,571.00	
Korea:	Foreign opium	831.00	
Persia:	Opium	512.00	
Turkey:	Opium	230.00	
Macao:	Opium	51 00	
Unknown:	Cocaine	167.25	
	Morphia	2,546.88	
	Heroin	699.40	
	Foreign opium	667.50	

Foreign nationals engaged in smuggling opium and narcotic substances

Nationality	Number
Japanese	41
Austrians	4
Germans	11
Swiss	5
Russians	1
Hungarians	1
French	1
British	2
Koreans	3
Total	69

In November, 1930, in three days two sensational seizures of morphine and heroin were made on board the Lloyd Triestino steamers *Col di Lana and Cracovia* when they arrived in Shanghai from European and Near East ports. The seizure of these drugs, especially the heroin and morphine, is believed to constitute a world record and very conservative estimate of the value was given as about a million taels though it was stated that the sum was probably considerably more. The two seizures total about 800 lbs of heroin and morphine concealed among consignments of raisins, jam and kerosine. It is believed to have been loaded at Constantionpole, the cargo was sent to unknown consignees by unknown shippers in boxes labelled "dried fruit". Information having been received by the Chinese Maritime Customs that the drugs were being brought here, officials were on the alert and minute examinations of the cargoes of the vessels were made, resulting in the immense hauls.

Sensational as these seizures are, yet they do not tell the whole story. There must have been many, many shipments which have successfully escaped the vigilance of the authorities every year. Suffice it to say, however, that as long as there is no stoppage at the source China with her 3,000 miles of seacoast, can hardly expect to cope with this increasing smuggling business with any appreciable success.

Chinese Reactions on the Japanese Invasion of Manchuria

BY C. Y. W. MENG 孟昭彝

AFTER weeks of "war-talk," the Japanese, with their inherited characteristics of slyness, shrewdness and complete lack of good faith, crept upon their ancient enemy, and by their "undeclared war", stole the Three Eastern Provinces from China in four days (Sept. 20-24). Because of the invasion and the many brutalities committed by the invaders, the second Sino-Japanese war and the second Russo-Japanese war are inevitable and imminent; the Kellogg Pact as well as all laws of humanity are trampled underfoot, and the peace in the world is endangered, merely because of the ambition of a handful of Japanese militarists, whose action only tends to destroy the name of Japan in the family of nations, and leave a big "black spot" in Japanese history.

Being sly in character and skilful in conducting propaganda work, the Japanese militarists tried to cover up their action in Manchuria on many pretexts such as the alleged blowing up of a section of the railway bridge along the South Manchuria Railway by Chinese soldiers and for the sake of protecting Japanese nationals.

Unprovoked and Deliberate Attack

Those who are familiar with the situation in the Far East will know at once that the South Manchuria Railway is always carefully guarded andpoliced by Japanese forces. How then could Chinese soldiers have had the opportunity to get near the line, not to say to blow up the tracks? A careful study of the actions of the Japanese will reveal to us that the Japanese attack on Manchuria is unprovoked and premediated. During recent months Japanese militarists have been demanding a "strong" policy in Manchuria and, further, have been acting on the basis of of that policy. The Japanese press has been utilized, first, to incite public opinion at home, and secondly, to bamboozle the foreign public as to Japan's special position in Manchuria and Mongolia. Not many months ago the Japanese Government decided to place a permanent garrison in Manchuria, as well as to increase the Japanese military strength in Korea. At the military commanders' conference held two or three months ago in Tokyo, General Minami, the War Minister, made a stirring appeal to Japanese military officers to be prepared for serious political developments in Manchuria. During these months the Japanese troops in Manchuria have assumed a most provocative attitude, and many were the demonstrations they staged in Chinese territory. All these indicate that the Japanese military authorities have been long preparing for further military penetration into Manchuria, with a view to securing absolute control of the territory. Certain more recent events also betray such intentions.

A recent Geneva dispatch to the Japanese *Asahi* stated that Mr. Yoshizawa, Japan's delegate to the Assembly of the League of Nations, informed the powers that where Japan has special interests the Kellogg Anti-War Pact is not effective. At the beginning of this month Col. Dohihara, head of the Japanese special military organ in Manchuria, returned to Japan ostensibly for the purpose of reporting to the Japanese Government on the Nakamura case. Col. Dohihara left Tokyo for his post on Sept. 14 and the Japanese papers frankly admitted that he had been given some important secret instructions by the Japanese military authorities. On his way back the Colonel was also to visit Port Arthur and communicate certain instructions from the military authorities to Gen. Honjo, Commander of the Japanese Garrison in Kwangtung Leased territory. It is very significant that the Japanse attack on Shenyang occurred immediately after the return of Col. Dohihara to Manchuria and was made by the Japanese troops from Port Arthur commanded by Gen. Honjo. In the light of what has occurred since Sept. 19 it cannot be doubted that secret instructios given by the Japanese military authorities to both Col. Dohihara and Gen. Honjo were to attack and occupy Shenyang and other Chinese cities.

Alltheseevents demonstrated clearly that the Japanese militarists have long made up their minds to resort to drastic military actions in Manchuria. The alleged disappearance of Capt. Nakamura and the blowing up of the railway bridge are merely excuses. The Japanese certainly are fully aware that the British Government never took any drastic action in the case of John Thorburn, knowing of course, that such action is ill-advised and that the British Government has to keep quiet pending the investigation. Why could the Japanese not follow the same action?

Japanese Defense Not Justifiable

The contention of the Japanese militarists is that according to the treaty rights, the Japanese could send so many thousand soldiers to Manchuria. While the treaty might give the Japanese the right to station some troops in Manchuria, certainly the treaty did not give the Japanese the right to kill the Chinese officials, to massacre the Chinese people, to burn property, to bombard the undefended city with machine guns when no resistance is used by the Chinese. The present Japanese action in Manchuria is not for self-defense but constitutes an act of war. In the first place, the Chinese did not take any action endangering the lives and property of the Japanese, so there could be no self-defense measures to speak of. Secondly, what the Japanese are doing in Manchuria constitutes an "occupation" of territory—in its true sense of the word—in the defeated country. Right after entering the city of Shenyang, the capital of Laoning Province, the Japanese, after committing many forms of brutalities, appointed a Japanese to be the city mayor, and changed the names of the streets in Shenyang. Let us ask, are these actions only self-defense measures or an occupation of a conquered land? The Japanese authorities further claim that the present trouble is purely local in character. Let us again ask, what is the "unit" of the locality—the city of Shenyang or the whole Three Eastern Provinces? If the Japanese forces were only to occupy the place where the railway bridge is alleged to have been blown up by the Chinese soldiers, the dispute might be treated as local. But now the Japanese are in occupation of the three biggest provinces in China proper.

The Japanese war minister further claimed that to station troops in Manchuria is a treaty right, apparently based on the Article I of Additional Articles of the 1905 Portsmouth Treaty, and the subsequent Sino-Japanese treaty of Peking, Dec. 22, 1905. But we wish to point out that Article II of the additional agreement to the foregoing treaty of Peking, stipulates that "The Imperial Japanese Government, in event of Russia agreeing to the withdrawal of her railway guards or in case other appropriate measures as agreed between China and Russia, shall consent to take similar steps accordingly". Since Russian guards have all been withdrawn and the Chinese troops have undertaken the protection of the Chinese Eastern Railway, the continuance of Japanese troops in Manchuria is absolutily without any "legal basis or treaty sanction".

In taking such unprovoked action against the Chinese, the Japanese militarists are partially helped by their belief that the Chinese would not be able to take any retaliatory action, as evidenced by the First Sino-Japanese War. But the Japanese imagination of the Chinese mentality now-a-days is quite wrong.

Appeal to the League

The first step that the Chinese took was to appeal to the world and the League of Nations for justice. Several telegrams were sent to the League's Secretariat. The Press Association in the Capital, in a telegram to the League of Nations, said:

"For not theslighest reason the Japanese occupy all the important places in the Three Eastern Provinces, detaining and killing the Chinese, disarming the Chinese soldiers, burning the buildings, etc. The League Government, the Washington Agreement and the Kellogg Pact have all been trampled under foot by the Japanese. We are a peace-loving people, we always observe the League Covenant. In the time when we are facing an unprecedented flood and famine and the red manace, the Japanese take advantage of the situation to carry out their outrageous actions. The 400,000,000 Chinese people hope earnestly the League will do justice and maintain peace in the world."

Wu Tze-hui, the veteran member of the Kuomintang, and well known philosopher, together with others, is said to have wired to President Hoover explaining the outrageous actions of the Japanese in Manchuria. Dr.

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Tsai Yuan-pei, well known Chinese scholar, has also sent out a circular to the world, which is signed by many others, such as Li Shih-tsung, telling the same. The Chinese Committee of the Chinese Institute in America, composed of a number of well-known Chinese businessmen and educators, including Hu Shih, etc, sent a long telegram to the United States. The Chinese Arts and Culture Association in Shanghai also sent out a circular to the world to appeal "for the employment of international justice to decide the Manchurian Situation". The China Branch of the International Chamber of Commerce has also wired to the General Office in Paris requesting the latter to exercise its influence to "stop the action of the imperialistic Japanese."

Unity Within

Right after the Japanese bombardment of Shenyang, the Chinese at once realized that so long as the China is divided, there is no way to resist the Japanese aggression. Since Sept. 20, many telegrams were sent out to Canton soliciting peace and unification between Canton and Nanking. The Central Executive Committee, on September 20 sent two urgent telegrams, one to all members of the Party asking them to unite and organize themselves to resist the outside aggression; and the other to Canton emphasizing that internal peace and solid unification is essential for resistance against the outside invasion. The Anti-Japanese Association, aside from sendng out many telegrams to the Nation and Canton, soliciting for internal peace, even sent representatives to Canton to urge the latter to stop the internal war and present a united front against the invasion. The same Association also wired to Marshal Chang urging the latter "to prepare for war and not to retreat, losing one province after another". Many more telegrams were sent to Canton for the same purpose by the Tangpu (Party headquarters) of different places and by industrial and commercial associations. Some high officials, such as Dr. H. H. Kung, the Minister of Industries, and H. N. Cheng, the Vice-Minister of Industries, and many others, have all wired to Canton emphasizing that "all should sink their personal differences, and save the country during this critical period". In the time when this article is written (Sept. 27) the Canton officials have already expressed their intention of uniting with Nanking. The Kwantung-Kwangsi soldiers were withdrawn from Hunan, and the representatives from the Nanking Government had already been sent to Canton for negotiation of peace. What the new development of the Manchurian situation would be would depend much on the unification of Canton and Nanking.

During this week (Sept. 21-Sept. 27) the writer of this article has been collecting numerous telegrams, declarations and petitions, etc., issued by different bodies in different places. If they are compiled, it will be quite a voluminous book. But when the telegrams are analyzed they can be reduced into four Chinese words "息爭禦侮"; when translated, they are "to stop internal quarrel, resist insult from outside". When these petitions to the National Government are analyzed, they can be summed up in one sentence—that is, "the National Government should declare war on Japan and the people assure the Government of the whole-hearted support of the people".

China's War Talk with Japan

Practically all the leading generals have either jointly or collectively, sent petitions to the National Government urging the Government to fight, adding that "they would like to be ghosts, killed in the war with Japan rather than to be slaves". The declarations from different Tangpu all called for the organization of "People Volunteer Corps" and "Dare-to-Die Battalions." The Educators Association in Shanghai, in a telegram to the Nation, advises the students to take up military training and to sever all economic relations with Japan. The Central Executive Committee has promulgated a set of rules governing the organization of military education in the country, which can be summed up as follows:

All students of the senior middle schools should organize Youth's Volunteer Corps (literal translation of the term is the "Righteous and Brave Army") and those of the junior middle schools should organize boy scouts, both of which should be given rigid military training. They should swear to observe the Three People's Principles of Dr. Sun and swear to be "faithful, true and swear to remove the national humiliations and save the country". Their motto is "unite solidly: fight bravely: swear to remove the national humiliations and save the country". Article 3 of the rules provides that to study Chinese geography, diplomatic history and the process of the national defense and the Japanese language, should be compulsory.

One influential official in the Legislative Yuan, in a petition to the National Government, listing 11 points for the salvation of the country, after pointing out, in his first four points, the need for internal unity, also suggests the immediate organization of the "Dare-to-Die Army" to be recruited from the party members, irrespective of rank, to be trained up for war. In his fifth point, he suggests that the provincial and hsien authorities should be instructed to organize self-defense armies, and experienced military officials should be sent to teach them. He further suggests that the property of the party members should be given to the government to buy ammunition for war.

Napoleon once said, the world would look when China awakens. Japan should look when China is getting so much annoyed by the outrageous actions of the Japanese that her patience is entirely lost.

More Resolutions Adopted

Aside from sending out of telegrams, petitions, etc., mass meetings were held everywhere, on September 23, which is now considered as one of the national humiliation days. The resolutions adopted by the mass meetings in Shanghai and in Nanking are particularly of interest.

The following resolutions were adopted at the mass meeting in Shanghai:

1. Petition the Government to give order of mobilization of army, navy and air forces, to drive the Japanese out of China and to take back the lost territory.
2. Appeal to Nation to unite our efforts to fight against Japan.
3. Enlarge the scope of movement of the anti-Japanese movement, and organize a National Salvation Movement.
4. Recruit volunteers to form army ready for war.
5. Sever economic relations with Japan.
6. Petition the Natianal Government to send back flood relief gifts from Japan.

The following resolutions were adopted at the mass meeting in Nanking:

1. Telegram to be sent out to all leaders of the nation to sink their differences and put a united front against the foreign aggression.
2. Petition to be sent to National Government to sever economic relations with Japan and declare war upon Japan immediately.
3. Telegram to be sent to all Tangpu to organize party volunteer corps ready for war.
4. Telegram to be sent to the nation to inform the masses to be ready to back the Government in the war with Japan.
5. Urgent telegram to be sent to Marshal Chang urging him to resist the Japanese invasion at all cost, so as to protect our territory and sovereignty.
6. Telegram to be sent to the whole nation to sever economic relations with Japan.
7. Telegram to be sent to party members both within and abroad to organize themselves to resist the Japanese invasion.

Public lectures were delivered telling the masses about the outrageous actions of the Japanese in Manchuria. In Nanking, "house-to-house" lecturing is being carried out.

The residence of the writer of this article was visited three times by these "lecturers." They seem to be quite well versed with the Japanese ambition, and explain quite clearly the situation. They also distribute pamphlets.

Leagues's Action in Manchuria Situation, Acid Test of its Usefulness

It goes without saying that the Sino-Japanese situation is very tense, and the Chinese national feeling is reaching the culmination point. It is up to the League of Nations to save the situation. If the Japanese refuse to accept the League's action and interference, the League should be in a position to enforce its decision, even at the expense of sacrificing the friendship of Japan. Not only this, the League should be in a position to punish the wrong party and prohibit the wrong party from committing the same wrong again in the future. Unless this is done, the existence of the League of Nations will be considered as unnecessary and useless.

Nanking, Sept. 27, 1931.

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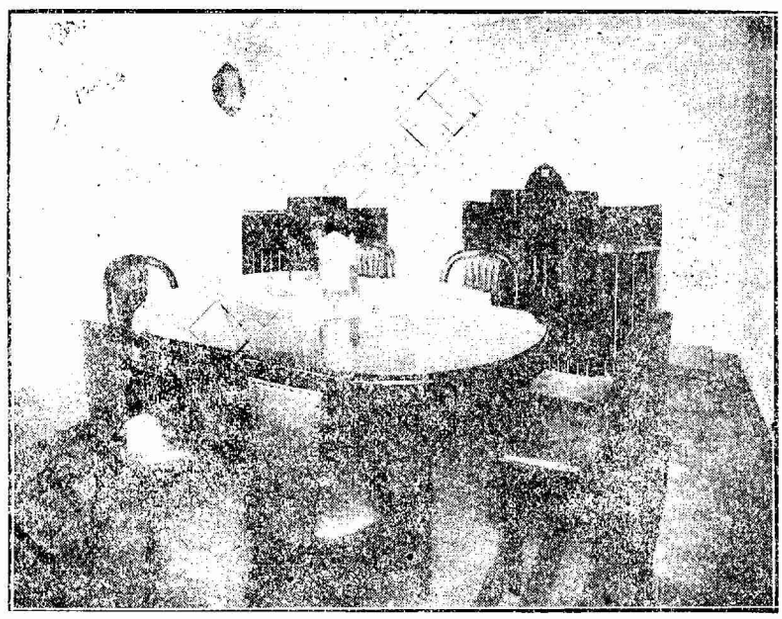

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In the Fields of Finance and Reconstruction

Grand Canal Repair Loan "Okeyed" by Political Council

A *Reuters'* telegram from Nanking dated September 23 stated that the Central Political Council at its meeting that day decided to issue a short term loan to the amount of $5,000,000 for the repair of the Grand Canal dykes and river conservancy work in northeast Kiangsu.

S.M.C. Invites Tenders for Cement

Tenders are being invited by the Shanghai Municipal Council for a large quantity of cement for use in the International Settlement. The prospective contract calls for the supply of about 224,000 bags, valued at approximately Tls.1,000,000. Competition for this business is said to be very keen among the local cement dealers.

New Junkers Plane for Nanking Arrives in India En Route to China

A new Junkers seaplane D.2151 which the Nanking Government ordered from Germany, has arrived at Karachi, India, en route to China, according to *Transocean-Kuomin* message from Berlin. The plane has so far flown 5,000 miles without meeting any mishap and is strictly adhering to its schedule.

More Subsidiary Notes and Silver Coins for Shanghai

The Ministry of Finance, in an order to the Central Bank of China, authorized the issue of additional subsidiary notes in order to relieve the shortage of the same in the market; the Central Mint in Shanghai has also received instructions from the Ministry to mint new silver sub-coins at the rate of 10 pieces to one dollar.

C.E.R. Parleys Resumed at Moscow

Mo Teh-hui, China's chief delegate to the Sino-Russian Conference, in a report to Nanking, stated that the conference was resumed between the Chinese and Soviet delegates on September 22, when the question of the provisional administration of the C. E. R. was discussed, but no concrete agreement was reached. The delegates will meet again on October 1.

New Waterworks for Pootung Contemplated

In view of the growing importance of Pootung as an industrial district and the immense number of the population in the surrounding districts, the Bureau of Public Utilities of the Greater Shanghai Municipal Government is contemplating to install a modern waterworks system in the district. According to estimates made by engineers of the Bureau, a sum of $295,000 is needed for the enterprise. Work will be started as soon as the necessary funds are available.

Government Bonds' Slump Disturbs Local Bankers

Owing to the sudden depreciation of the various Government bonds consequent upon the Manchurian affair, considerable unrest is felt in local banking circles. In order to avoid a panic, the managements of the three leading banks, the Central Bank of China, the Bank of China and Bank of Communications, held a meeting on Sept. 23, at which it was decided to pay cash to the bondholders against deposits.

New Branch of Bank of China to Rise on Hongkew Site

Architectural plans have been completed for the construction of a new branch office of the Bank of China at the corner of North Szechuen and Haining Roads with an estimated cost of $800,000, it was announced by officials of the Bank. The new building will be an eight-story concrete and steel structure and will be provided with all modern bank equipments including safe deposit vaults and automatic door locks, etc.

Huai River to Follow Ancient Course to Sea, $70,000 for Work

A sum of $70,000 will be appropriated for conservancy works on the Huai River, according to a decision of the Huai River Conservancy Board reached at its meeting on Sept. 19. The meeting also discussed the best location for a channel whereby the waters of the river may find an outlet to the sea, and the Board decided in favor of the abandoned course of the Yellow River.

Public Utilities Bureau to Improve Water Supply in Nantao

In order to safeguard public health against the unclean and insufficient supply of water in Nantao district, the Bureau of Public Utilities of Greater Shanghai Municipality is taking immediate measures to improve the equipment and administration of the Nantao Waterworks. A sand filtering process is being considered as well as the construction of an additional water tower and installation of eight electric pumps. Efforts to rid the water of bacteria have also been made during the past few months. The water has to undergo 24 technical examinations before being supplied to the consumers and its clearness in future can well be assured.

Seven-Story Office Building to Be Erected on Rue Pere Huc

According to a report in the *Shanghai Evening Post* on September 24, work has been started on a large office building at the corner of Avenue Edward VII and Rue Pere Huc which is scheduled to be ready for occupancy before end of this year. The structure is estimated to cost more than $200,000. Reinforced concrete will be used throughout the building and the main entrance, which faces north, will be 16 feet wide. The ground floor on Avenue Edward side will be reserved for modern style Chinese shops and the six upper floors will be devoted entirely to house offices. Modern heating systems and sanitation fixtures will be installed and an elevator service is also planned. Sheng Chao is the architect, while B. F. Young is the contractor.

Canton Tobacco Tax Under Fire by Merchants

In spite of the Canton Government's injunction that commencing from Sept. 16, revenue stamps must be affixed to each package of cigarettes before being placed on sale, the tobacco dealers in Canton totally ignored the order. The tobacco factories in Shanghai have sent a telegram to the Canton Government, petitioning a reduction of the tax and the Canton authorities are reported to have acceded to the request. Small tobacco dealers petitioned the Canton Finance Department on Sept. 23 to be allowed to sell off their present stocks before being required to affix new stamps. One Company has obtained a special concession to impose a military levy on all temples in Kwangtung and it is expected that over a million dollars will be realized by the Government from the new source.

Lunghai Railway Construction Work Progresses Despite Difficulties

In spite of the difficulties which were caused by the recent Shih Yu-shan Rebellion, the work on the Lunghai Railway progresses satisfactorily. At present, a total distance of 515 miles of the Line spreading from the seashore at Haichow to Lingpao in Western Honan is in daily operation. Under the impetus of the Ministry of Railways and the energetic management of the Lunghai authorities, the work has been steadily carried on and a further section of about 29 kilometers has just been completed and opened to traffic. Wenhsiang in western Honan, a few miles south of the Yellow River may now be reached by rail. Work on the other side of Wenhsiang up to Tungkwan, which stretches over 25 miles and includes tunnels and viaducts, is being actively pushed and it is expected that Tungkwan may be reached by rail at the end of the current year, thus linking this fertile area with outside markets.

Bumper Harvest in Manchuria Ready for Warehouses

According to a dispatch by the Harbin correspondent of the *North China Daily News* on Sept 24, bumper crops in Manchuria this year are on hand and are ready to come in the warehouses Statistics received by the C.E.R. Ecomomic Bureau from all parts of North Manchuria reveal a big surplus of grains of different varieties. The same also reveals that there is an increase in sowed area of from 1½ to 2 per cent, but although the total acreage under grain has increased, that under beans has decreased from 3 to 5 per cent, while that of wheat has increased by 7 to 10 per cent. The yield per acre has increased by 2 per cent against that of last year. Therefore the 1931 crop may be reckoned as about 4 per cent larger than that of last year. This will give a surplus for export of 6 to 8 per cent above that of the last export season. In addition to this surplus, there are at the moment 298,000 metric tons of last year's grain in store on the stations of the C. E. R.

The *North China* correspondent points out that there is a super-abundance of grain in Manchuria and questions why the National Government should go to America to seek wheat for the unfortunate flood sufferers, while North China can supply huge quantities of wheat and beans. He suggests that from the Tsitsihar-Taonanfu Railway a train could be run direct through to Hankow and carry large quantities of grain without having to transfer its cargo anywhere.

Government Bond Market in September Reviewed

Disquieting rumors of rebellous developments in Shansi and the introduction of the new Salt Revenue Loan combined to cause a loss of from .50 to 3.50 points for the first week's trading of the current month, according to a report compiled by S. D. Wang & Company. During the second week of the month, the news of invasion of Hunan by the Southern Forces caused another flurry in the bond market and losses of from .60 to 2.45 points were recorded, but it transpired that these losses were largely artificial. Short traders were selling without covering. The following week witnessed a recovery of between .90 and 2.55 points which was the result of the bears running to cover. Just as the prices stood firm and showed indications of picking up, then came the deluge let loose by the tidings of Manchuria's invasion by alien militarists. The effect of this event on the bond market has been considerable.

September trading came to a conclusion on the 25th. A survey of the damage suffered was an average of fractionally over ten points. All the way down the line prices dropped between 3.50 and 15.50 points, as compared with August closing prices. A maximum fluctuation of 19.50 points for the month recorded for the Salt Revenue Bonds on September contracts. The 20th Year Customs suffered most heavily with a loss of 15.90 points. An even 13 points loss was shown by 6% Consolidated bonds for the issue second most heavily hit. Disbandment bonds came next with 12.50 points.

Consolidated Tax topped all issues in transactions negotiated, amounting to more than $144,000,000. This bond dropped 12.10 points and fluctuated 17.70 points. Over $105,000,000 was the amount of business done in 20th Year Customs which, while losing most in comparison with the August closing price, fluctuated 16.50 points. A record total of about $515,000,000 on the China Merchants Stock Exchange was the turnover for the month of September.

October is faced with a bit of confidence restored. Anything short of declared warfare between China and Japan is not expected to depress prices further. In most responsible quarters such a contingency is regarded as impossible. Accepting that premise, there is justification for anticipating firmer prices in the near future. It is claimed that the League of Nations and the United States are exerting a favorable influence toward the prevention of aggravating developments in Manchuria. The attitude of Soviet Russia is also interpreted as having a restraining effect upon the jingoists of Japan.

The bankers' pool of $50,000,000 to support the bonds is something for adventurous bear dealers to reckon with. That, with the international reaction to Japan's aggressive conduct in Manchuria, and the prospect of a Canton-Nanking rapprochement, gives heart to those who believe that the time has arrived for investors to buy at what are now considered bottom prices.

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New Projects to Improve Whangpoo Planned by Conservancy Board

In order to develop the Whangpoo River into one of the finest harbors in the world and assure safety for the huge investment in Shanghai's maritime trade, a series of new projects including the dredging of the river, increase of leased sites, etc., is being planned by the Whangpoo Conservancy Board and is in the course of execution. In recent months, a gratifying amount of work was completed on the river One of the most important jobs was the erection of a cofferdam for the enlargement of the dry dock at Chang Hwa Pang. The cofferdam was built around the entrance to the dock and the bottom and entrance wall of the old dock were broken up. About one-third of the dock area was excavated and filled up to the new profile with broken concrete. The concrete mixer and transporting equipment were fitted up. All this work has already been completed. To increase the river frontage Conservancy Board dredges always are at work deepening the river and reclaiming lots by pumping mud onto the land; also by the construction of dykes of various materials. Leased sites along the river of such organizations as the Asiatic Petroleum Company and the Texas Oil Company have been improved in recent months by the construction of stone slopes.

Another important job done in past few months was dumping of stones into the deep pool at the Garden Bend near the Pootung Point. The job was commenced in the Middle of April and an area of 90,000 square feet was covered with 13,105 tons of rubble stone up to the end of June. This work still continues.

During April, May and June of this year a total of 780,530 cubic yards of space in the bed of the river was dredged by Conservancy Boary vessels. From January 1 to June 30 a total of 1,418,998 cublic yards has been dredged.

The total dredging done by the Board's own plant since 1916 amounts to 26,046,047 cubic yards. The total dredging done by the Board since 1905 amounts to 89.925,-997 cubic yards.

Shanghai is known as a rather dangerous port of approach because of its strong, swift currents. Maps must be prepared and released to guide pilots up and down the lanes. The river is so carefully charted at the present time that accidents are rare. This is true despite the problem of innumerable junks which often impede and endanger river traffic. The new edition of the map entitled "The Distrtrict Around and Approaches to Shanghai" recently was released by the General Survey and Land Office and it has been acclaimed by maritime men for its thoroughness and accuracy.

The Hydrological survey of the Conservancy Board never ceases. Records are taken daily and weekly and all are analyzed. Recently current measurements at Pootung Point bend were completed. Observations also have been made in Soochow Creek.

Tidal observations in the estuary have been continued. This work is important for the future understanding of Shanghai's harbor. It is known that there will be new river problems to cope with in years to come because the Yangtsze River sends down huge deposits of mud, which change the channels and banks of the river continuously. The Conservancy Board also expects to dredge up-river within the next two years.

Customs Inspectorate Issues First Report on Foreign Trade

The statistical secretary of the Inspectorate-General of Customs published the first issue of "A Monthly Returns of China's Foreign Trade" on Sept. 21. Previously apart from the "Daily Returns" issued at some ports, Trade Returns for China have hitherto been issued quarterly and annually, but the Government has now decided to institute a system of publishing monthly returns, as is done in many other countries. This first monthly publication is tentative and comprises the figures only of Shanghai's Foreign Trade for the month of August. A similar publication will be produced for the month of September, after which it is intended to issue Monthly Returns of Foreign Tarde for the whole of China. In order to ensure the compilation of Monthly Returns as speedily and as accurately as possible, the materials from which returns are compiled are being sent forward daily from some of the ports and at very frequent intervals from others A Central Returns Office, as a part of the Statistical Department, has been established and "Powers Tabulating Machines" installed therein. By use of these machines, it is expected that in time, a great economy can be effected in the staff necessary for the compiling of trade statistics and that with much practice it will become possible to turn out for China's foreign trade monthly and yearly statistics as quickly as similar statisitics are turned out by other countries.

Central Bank Reserves Checked by Supervisory Body

At its meeting on Sept. 19, the Supervisory Committee of the Central Bank of China held an examination of the reserves of the Bank against note issue and issued the following statement:

Total Amount of Dollar Notes & Subsidiary Coin Notes in Circulation:

Dollar Notes	$38,382,613.00
Subsidiary Coin Notes	$ 2,884,870.00
	$41,267,483.00

Reserves Against Dollar Notes & Subsidiary Coin Notes in Circulation:

Cash Reserve (of the above sum $18,576,993.61 is kept in Shanghai Office, the balance $4,045,763.00 is kept in Branches and Sub-branches, $5,039.014.39 is kept in Local Banks.)	$27,661,771.00
Securities Reserve	$13,605,712.00
	$41,267,483.00

Total amount of Custom Gold Unit Notes in Circulation:

C. G. U. Notes C. G. U. 1,000,000.00

Reserves against Custom Gold Unit Notes in Circulation:

G.$400,000.00 deposited with Local Banks at 40 C. G. U. 1,000,000.00

The Bank is required to keep Cash Reserve at 60% and Securities Reserve at 40% of the total issue. Finding the Cash Reserve to exceed 60% and the Securities Reserve not over 40%. the supervisors certified that the reserves against notes in circulation are in order.

Mid-Autumn Festival Observed as Humiliation Day

The Mid-Autumn Festival in China, which fell on September 26, was observed this year as a Humiliation Day, because of the occupation by the Japanese of Manchuria. In Shanghai one of the principal events of the day was the holding of a mass meeting of merchants, students and workers at the public recreation ground near the West Gate. It was called by the anti-Japanese and National Salvation Association for the purpose of holding a memorial service for those who had been killed in the course of the Japanese invasion.

Searching Party Holds Up British Ship but Finds no Contraband

The British Indo-China steamer *Tuckwo* was held up by an armed body of men wearing the uniforms of the Nationalist Army, off Kowan Boat station on the Yangtsze river on the night of Saturday, September 26. The foreign officers of the ship were restrained at the point of pistols from interfering with their operations. The boarding party is alleged to have strung up the Chinese members of the crew and tortured them in an effort to uncover contraband. No large cache was found, although several small packages of opuim, evidently belonging to passengers for their personal use, were found. The search took more than an hour. None of the passengers were molested or robbed.

Another Claimant Appears for Hardoon Estate

The disposal of the estate of the last Silas Aaron Hardoon, who died in Shanghai several months ago leaving property estimated at approximately Mex. $150,000,000, will become the subject of considerable litigiation, recent reports indicated. The late Mr. Hardoon, who was a member of the small but financially important section of the Shanghai community, known as "Baghdad Jews", made a will leaving all his property to his wife, who is a Chinese. In the meantime various relatives have appeared on the scene from Bombay and other Indian ports with the object of trying to secure a share of this large estate. The latest claimant is Issac Sinah Jacob Hardoon, of Bombay.

Eugene Chen Asks Japan Pertinent Questions

Eugene Chen, Foreign Minister of the Canton Government, sent the following communication to Baron Shidehara, Japanese Minister for Foreign Affairs, September 26:—

"In our conversations held during my recent unofficial visit to Tokyo, I stated that the relations between China and Japan had been unsatisfactory for nearly a generation, and I suggested that the time had probably come for a new orientation in policy in the sense of the teachings of Dr. Sun Yat-sen, whose conception of the relationship between the two countries, linked in certain respects by a common culture, envisaged a regime of understanding and friendliness, instead of mistrust and misunderstanding, in their international intercourse. And I referred to what is known as 'the Manchurian question' as the crux of all relations between China and Japan.

"I emphasized that no Chinese, or group of Chinese, or Chinese Government, could agree to a settlement of the Manchurian question which involved the annexation or the practical annexation of Manchuria by Japan. I stressed another point. I said that no settlement of the question would be effective and real unless the Chinese nation, as a whole, approved of it, and I indicated that such approval would have to be secured through the submission of the terms of settlement to the Kuomintang in National Congress assembled.

"You replied that nothing could be further from the thought of the Government of Japan than the annexation of Manchuria and, if and when it should become necessary, your Government would be prepared to declare categorically that Japan recognized Manchuria as an integral part of the Republic of China and had no wish or intention to infringe Chinese territorial sovereignty in that region. At the same time you pointed out that Japan had 'rights and interests in Manchuria, most of which are vested in her by treaty and all of which are the outcome of a long historical background.'

"In further conversations with responsible members of the General Staff Headquarters and the War Office in Tokyo, as well as with the official leader of the Seiyukai, I satisfied myself that, on this crucial point, you appeared to express the governing mind of Japan.

"Events, however, are taking place in Manchuria which are a denial of the plain meaning of the foregoing definition of Japaese policy. A great historic city and other important centers in Manchuria have been forcibly occupied by Japanese troops, and deeds are being done on Chinese soil which would move even the weakest of nations to indignation and resistance.

"As the National Government, established at Canton is prepared to cooperate in realizing Dr. Sun's conception of Chinese and Japanese relations, it has a right to know whether the grave situation created in Manchuria is to be interpreted as a repudiation of the policy stated by you in the course of our recent exchange of views, or—which is a view held in some informed quarters—is it to be treated as only the reckless action of the less modern section of the Japanese High Command whose ideal about the vital needs of Japan as a modern state and whose views on the relationship of nations are a survival from the ages of feudalism."

Cornerstone Laid of New RCA Victor Factory

The cornerstone of the new factory which is being erected in Shanghai by the RCA Victor Company, was laid on the afternoon of September 25, by Julean Arnold, U. S. Commercial Attache. Mr. Arnold, in the course of a short speech stated that this factory, when completed, would contribute a great deal toward the social welfare of the people in this country in the form of home entertainment.

The construction work is in the hands of the Kow Kee Construction Co., contractors. This new factory, involving an expenditure of about Mex. $1,000,000, is expected to be completed in the first part of 1932. Complete manufacture of gramophone records and musical accessories will be turned out by this factory. W. H. Staats, who recently returned from United States, will be general supervisor and engineer of the factory.

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Men and Events

Raymond O'Shea, editor of the Hongkong magazine *Chop Sticks*, was a vistor to Shanghai during the week.

The Shanghai American Players are presenting a farce comedy "Is Zat So?" October 2, 3, 7, 8, 9 and 10.

Miss Lila Lee Annis of Honolulu, recently arrived in Shanghai to take up a position as teacher at the South Gate Boys' School,

Miss F. P. Brown, secretary of the Foreign Y.M.C.A., Shanghai, is spending a holiday at Ichang, and other Yangtsze River ports.

Madame Chiang Kai-shek, the former Miss Mei-ling Soong, came down from Nanking to Shanghai, during the fore part of the week.

Mrs. James Speers, accompanied by her three daughters, has returned to Shanghai after an extended holiday in the United States.

Mrs. Therese Blackburn, connected with Fette Peking Rugs, is due back in Shanghai from the United States by the s.s. *President Jackson* October 2.

The death occurred September 30 of Shanghai's "Grand Old Man," Brodie A. Clarke at the age of 87. He had been a resident here for more than 65 years.

Misses Elizabeth Shirke and Marjorie Speake, of the Presbyterian Board of Foreign Missions, returned during the week from a holiday in the United States.

Dr. Wu Lien-teh, Director of the National Quarantine Service, is at present on a tour of the Yangtsze valley inspecticg quarantine and medical relief work.

The Shanghai Municipal Council has contributed $20,000 to the fund opened by the Greater Shanghai Bureau of Social Affairs for the establishment of a rice granary.

Mr. and Mrs. J. V. Crowe, who have been on leave in the United States for several months, are to return to Shanghai in the near future. Mr. Crowe is manager of the local Ford organisation.

Miss Katherine Carr, a recent visitor to Shanghai, has returened to Los Angeles where she is a teacher of journalism in the High School. Her brother is a columnist in the *Los Angeles Times*.

A landslide occurred at Yokohama during the night of September 27, following a terrific thunder storm. Seven people in Yokohama lost their lives. 50,000 dwelling houses in Tokyo were flooded.

A party of tourists conducted by Frank H. Lombard, of the University Travel Party, passed through Shanghai on their way to Manila on board the Dollar steamer *President Jackson* during the week.

Mr. and Mrs. W. Hamilton Staats, who recently arrived from Japan, have taken a house in Great Western Road. Mr. Staats will be general superintendent of the new R C.A. Victor factory now being erected.

Mrs. C. G. Moore, accompanied by her two young sons arrived in Shanghai September 29 on the s.s. *President Monroe*. Mrs. Moore is the wife of Lieut.-Com. Moore of the U. S. Navy and intends to make her future home in Shanghai.

An action brought by K. B. Lieu, former compradore of the General Tobacco Export Co. against said firm jointly with the Equitable Eastern Banking Corporation, has been set down for hearing at the U. S. Court for China, October 5.

The American Women's Club of Shanghai will hold a reception for the President of the Joint Committee of Shanghai Women's Organizations and special guests, on Tuesday, October 6, from 4 to 7 p m. at the Club Rooms. 677 Bubbling Well Road.

The new Netherlands Minister, W. Thorbecke, presented his credentials to General Chiang Kai-shek at Nanking September 26. The new Minister, who succeeds Sir William Oudendijk, was introduced to General Chiang by Dr. C. T. Wang, the Foreign Minister.

Harry Garson, an American movie promoter is at present in Soochow, China, together with Leonard Fields, where they are filming "The Love Race", this being the initial attempt of foreign film interests to exploit the Chinese background for pictures to be presented abroad.

Dr. Toong Mou-tsau, a medical practitioner of 176 Range Road, arrested last May on suspicion of being engaged in communist activities, was released by the Kiangsu Higher Court September 27. The application of the Shanghai Bureau of Public Safety for extradition was refused.

The American Legion, which held its National Convention in Detroit, last week, placed itself on record for the repeal of Prohibition. It passed a resolution asking Congress to submit the question of the repeal of the Eighteenth Amendment to the various States for a referendum.

Y. M Chien, well known Shanghai banker, who was recently appointed to succeed Dr. Kao Lu as the Chinese Minister to France, has declined the appointment.

Daring attempts were made last week to kidnap Arthur Sopher, former joint administrator of the estate of the late Edward Ezra and for a time managing director of the *China Press*. The Municipal Police had received an intimation of the attempt and from then on Mr. Sopher placed himself in the hands of the Police so as to catch the would-be-kidnappers, who it appears, intended to hold Mr. Sopher for $50,000 ransom. Altogether five persons, all Russians, were arrested as alleged conspirators in the plot.

Gandhi Makes Tempting Offer to Lancashire

The Indian Nationalist leader, Mr. Gandhi, made a "goodwill tour" of Lancashire, England's cotton spinning district, on September 26, during the course of which he explained the attitude of the Indian National Congress towards foreign cloth. At a meeting with leaders of the cotton industry, he asserted that if an agreement between Britain and India on a basis of equal partnership were reached, he would favor Lancashire products for that cloth which India was unable at present to supply. Mr. Gandhi met with a remarkable reception. There was no sign of hostility against him anywhere despite the fact that the attitude of the Indian National Congress towards foreign cloth has been responsible for much bitter feeling among British textile interests. Mr. Gandhi made it clear that while, with the establishment of a "proper relationship" between Britain and India, it would be possible for India considerably to increase her imports of British cloth, Lancashire's Indian trade could never regain its former magnitude. He told *Reuter* that if a satisfactory political settlement between Britain and India were reached—a settlement including absolute freedom for India—he would, he declared, agree to the prohibition from India of all foreign cloth except that produced in Lancashire. Such Lancashire cloth, however, would be admitted only to the extent of non-Indian cloth still necessary to supplement the requirements of India.

Incidentally, in line with his previously announced policy of wanting action and not words, Mr. Gandhi informed *Reuter* that if the dissolution of Parliament is announced during the week and the Ministers want to mark time with the Round Table Conference and not take any effective decision, he would like to returu to India.

Quota Immigration for China and Japan

(Chicago Tribune, Paris Edition, Aug. 27)

A resolution of the immigration committee of the Chamber of Commerce of the United States favors the admission of Asiatics upon the quota basis. The important nationalities involved are of course the Chinese and Japanese. The proposal to bring them under quota provisions has been resisted by West Coast organizations and newspapers on grounds that have not seemed very substantial to us, although we have supported exclusion in principle and have no patience with the sentimentalists of the Eastern States who are willing to sacrifice the American workers of the Pacific States. But to place the Chinese and Japanese on a quota basis would open the gates to only a negligible number of these nationalities, while it would remove the discrimination which offends them. The chairman of the committee of the Chamber put the issue straightly in saying that "the question is a practical one covering the relations between nations. The quota for Japan would be approximately 185 a year and for China 105 Regulation can be continued under the quota limit without offending the sensibilities of friendly countries."

The American people are going to live a long time with their neighbors across the Pacific and it should be the national policy to do everything consistent with the nation's vital interests to foster good feeling and active co-operation with them for our mutual advantage. Racial prejudices and local jealousies and frictions should not be permitted to defeat such a policy. The proper protection of American standards and social character should be adequately maintained, but this can be accomplished with justice and tact. It is not consistent with our claim to civilization to discriminate against nationalities which represent centuries of cirilization and are as entitled to our respect for their culture as the peoples of Europe. The quota system of limitation can protect our legitimate social and economic interests as efficiently with respect to China and Japan as the European countries and should be extended to include them.

Slump in Sterling Has World-Wide Rupercussions

A telegram from London September 26 stated that the fall in the value of sterling is creating serious trading difficulties for some of the importers of foreign goods in Great Britain. The London Chamber of Commerce has intimated that in certain cases foreign concerns, which had entered into contracts to supply goods to British importers, with payment to be made in pounds sterling, were now refusing to deliver unless the buyers were prepared to meet the difference in exchange.

The principal problem throughout the commercial world during the week has been to adjust itself to the new status of the British pound sterling, which, not being backed by hard gold, has dropped to new low records, the exchange rate between New York and London dropping considerably below 4 to 1. An entirely erroneous impression as to the situation in reference to silver is given by *Reuter* telegrams from London which describe silver as "soaring." It has, of course, not been doing anything of the sort, as a reference to the New York silver quotations will show. The situation in the financial world at present is much as it was during, and for a short time after, the world war, when the only real standard to judge the other currencies of the world by was the American dollar. On September 25, (when a *Reuter* telegram spoke of silver having reached its highest point since August 5, 1921), the price of silver, measured in American money, had actually dropped very considerably, although, because of the very serious decline in the British money standard, silver *appeared* to have advanced in price.

Freight and passenger rates in pounds sterling, hitherto the accepted standard in shipping circles, have been cancelled by all German lines, the new unit being the equivalent of U. S. $4 86.

Mr. Inouye, Japanese Finance Minister, states that there is no need for Japan to abandon gold. Mr. Inouye's says that although Japan, like other countries, was bound to be affected indirectly by the action of the British Government, he did not anticipate any direct effect on Japan's finances as the Japanese gold account was transferred from London to New York soon after the Great War. However in the meantime it is expected that a shipment of gold, about seventy million Yen, will be sent to America soon for the purpose of supplementing the Japanese reserves in New York, which lately have been depleted as the result of a sale of dollar exchange bills following the suspension of the gold standard in Britain and the Sino-Japanese clash in Manchuria.

Bandits Wreck Train Near Mukden and Slaughter Passengers

Taking advantage of the fact that the Japanese had disarmed many of the Chinese troops in that district, a gang of bandits on September 27 committed one of the worst outrages in recent Chinese history, on the Peiping-Mukden railway, near the station Jaoyungho, about 50 miles west of Mukden. The gang removed some rails from the track where it runs across a bridge and the engine of a train and five coaches were derailed, some of the coaches toppling off the bridge to the river-bed 30 feet below. So soon as the disaster occurred, the bandits jumped from hiding and savagely attacked the passengers. Some thirty people were brutally slaughtered, including the engine-driver, a fireman and two oilers.

Among the killed were one British passenger, one Russian and one Hindu, all the others being Chinese. After having killed 30 passengers and chasing others from the scene, the bandits systematically went through the train and every bit of baggage, looting everything of value. Then, before any help for the passengers could arrive, they decamped with their loot. News of the outrage travelled quickly down the line and relief trains were dispatched from Tientsin. Some Chinese troops were sent out to apprehend the bandits, but they escaped to the hills. Since the Japanese troops occupied Manchuria and disarmed large bodies of Chinese troops, banditry has been rapidly increasing. *Reuter* says that nothing comparable to the present outrage has been known since the notorious Lincheng outrage in 1923, when bandits wrecked the "Blue Express" and carried off a number of passengers to the hills for ransom.

The CHINESE NATION

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New Books of Interest in the Far East

Three Famous Oriental Geniuses

Three Wise Men of the East, by Elizabeth Bisland; The University of North Carolina Press, Chapel Hill, 1930. 275 pages. Illustrated.

Elizabeth Bisland spent her appreciation and love of the Orient in these narratives of three famous Oriental geniuses. Her style is, on the whole, clear, though greatly embellished by verbiage of a most luxuriant growth. Adjective is piled on adjective, and descriptive phrase on descriptive phrase. Witness the following—"The whole palace was a mass of glorious chambers opening on green and flowering courts watered and cooled by pools and springing fountains. But perhaps the most beautiful portion of this fairy residence was the harem to the South and East; it was about a thousand feet in length, more than twice the area of the Escurial or, in fact, of any palace in Europe. Here, indeed, the Emperor allowed his fancy full sway in making a home for his beloved wife and her attendants. The harem had three large garden courts and some fourteen other smaller ones, all filled with trees, vines, fountains, and many-coloured roses always the special joy of Baber's descendants. Every lovely fantasy was employed to give grace to this home of his love, and yet all was wrought with such fine reserve that the effect is of extreme purity and simplicity. The burning light was softened by passing through delicate veils of marble so exquisitely pierced and wrought that one could almost feel as if they might be swept aside by a slender hand, and yet of so durable a material that centuries have left no flaw upon them. Here and there low archways opened through the screens to frame a picture of greenshaded fountains springing among the roses. The sunlight filtering in through marble veils lit the rooms with pale golden rays, tempered by the opaline shadows, blue and purple, of the softly curved marble ceilings. One of these chambers was devoted to the bath, a wide pool sunk in the floor, fed by runnels damascened with delicate lines of onyx and silver, over which the clear waters flowed with an effect as of shining ripples:

'Full conduits streaming
Where fair bathers lie.'

No foreign eye ever saw this secret place of joy and love until after the fall of Delhi and of the last of the Moguls, when the English signalized their conquest by using it as barracks for their soldiers and afterwards pulled down a large portion of it to erect a rough building to serve for the housing of troops. During Shah Jahan's life it was probably the most perfect dwelling place that man ever made for himself." Nothing is said of the economic burden of this lavishness on the ruler's people for this is a tale of the beautiful that the author paints for us.

It is but natural that she, having chosen each of these three men for the embodiment of a certain characteristic, should emphasize that side of his nature. Thus Shih Jahan is for her merely the great lover, husband of the beauteous Arjamand Banu (the Mumtaz Mahal of history), and builder of her jewel-like tomb, the Taj Mahal. The author accuses historians of slighting her hero, but she herself ignores certain unpleasant features of his reign and personality.

Her portrait of Chien Lung, the magnificent Emperor, has more virility no doubt for the reason that this emperor was pronouncedly of that strong masculine type, a man vital and alert, ready for strenuous endeavor. One notices inaccuracies here and there (the first of February is not always the day before the Lunar New Year, as the author announces it to be), but the drama of Chien Lung is well told. The painting is in vivid and lasting colors. "In Chien Lung's time the vast area of his capital was crowded with the palaces of the Mandarins and Bannermen. . . . Shops were everywhere —shops by the thousands, all adorned by facades of the most elaborate and intricate carvings which were vivid colors, the cloth painted in bold decorative Chinese characters. Everywhere life pullulated. The veiled scarlet chair of the bride passed by, carried on the shoulders of sweating coolies, attended by banners, music, and dower gifts borne on open palanquins, and followed by a swarm of servants in costumes of sharp bright hues. Great brayings of brass and the moaning of horns accompanied the dead on their last journey as they fared outward through the city gates in ponderous coffins—coffins so huge that fifty men bent under the poles from which the mortuary chests swung. Gaunt lines of camels, grey with the dust of Mongolian plains, lurched along the streets bringing tallow, wax, sables, ermine, priceless furs of many sorts, and the emerald-green royal jade from the river beds of Turkestan. Panting bearers passed, swinging between poles the sacks of tribute rice pouring in like streams from most of the eighteen million householders paying thus their land taxes. Endless packages in bamboo matting contained fragrant teas of delicious flavors. From many poles hung great bales of tribute silks with special weavings of exquisite tintings and textures. Other poles bore large bamboo baskets in which were packed in rice-straw porcelains from the Imperial Kilns—porcelains thin as eggshells, of marvelous glazes, of unmatched colourings. Ten thousand pieces of such porcelain were sent annually to the palace as gifts from the officials." *And so on and on for pages in this book!*

Hideyoshi, the delightful parvenu, is the author's third Eastern Wise Man. He is shown as an exceedingly clever and astute Japanese. Throughout this narrative there breathes the artistic sense of the Japanese. "Hideyoshi practised assiduously the art of flower arrangement and of the tea ceremony. He covered with honours and constantly employed the famous Tea Master, Rikyu, to lay out his gardens and teach him those four cardinal virtues supposed to be inculcated by the Tea Cult: urbanity, courtesy, purity, and impeturbability. 'The tendency of the Cult', says Brinkley, 'is to combine aesthetic eclecticism of the most fastidious nature with the severest canons of simplicity and austerity.' Even in camp he often relaxed himself with this diversion."

The rise of Hideyoshi from obscurity to the highest position under the Emperor is a story of remarkable restraint and power. The three men of this volume should tempt us to a study of other Easterners. They are not the only heroes of the Oriental world of affairs, and others may prove of equal inspiration.

September 15, 1931. G. B. S.

An American Technical Man Writes about Russia

Golden Days of Soviet Russia, by Adolf Carl Noé, Published by Thomas S. Rockwell Company, Chicago, 1931.

Ever since the Moscow Intourist extended invitations to all curious, skeptical, critical, friendly and antagonistic men and women of all countries to visit their socialized Union, Russia has been a popular theme for writing, on which new books in print are already galore. Many of these books should not have been written had it not been the fact that Russia, Soviet as well as Tsarist, is so little known to the outside world. If you work on the index of any library, you will find the number of books on China tremendous, on Japan fairly many, on Russia negligible. The truth was that the inquisitive West had taken for granted that Russia was one of them, at least so much like them that a close study was unnecessary.

The late Maurice Baring did good work on Russia, apart from whose books, the modest volume of literature on Russia was turned out by its own scholars. In the last two years after the Ogpu had lifted the ban on all intending tourists, Bolshevised Russia under a new cloak leaped into the limelight of the writers, many of whom hardly deserve the name. The editor of a famous New York publisher when approached replied ruefully: "By all means *don't* send your manuscript. We have so many books on Russia that we have to engage many additional readers. It is not quality but quantity to which we object."

"Golden Days Of Soviet Russia" is perhaps one of these many books which America is putting out this year. The visitors to Russia, nearly all of them, are either tourists with much gold to buy thrills and new experiences or engineers to help Russia grow rich. Of the two the engineers have a more intimate contact with the Russian masses, but the view obtained through the field-glasses is small and narrow. "Golden Days of Soviet Russia", written by an engineer is a book of trifles. It has fourteen short chapters, in which the matter-of-fact engineer records such minute details of his personal experiences, which convey no deep meaning to interpret the country nor efforts to understand it. It is an ordinary diary of an ordinary man, but written in an extra-ordinary country, the locality constituting the only justification, if such is really justified, for its appearing in print.

An American technical man, Mr. Noe finds Russia very backward and dirty, according to the American standard of comfort and luxury. The very idea that Soviet Russia invited him to assist in the development of coal mines in Kharkov gives him a superiority complex,

from which height he views the country. Throughout the book there is no manifested sympathy nor open condemnation against the Soviets or Soviets ideals, the theme being a simple presentation of facts in a practical way by a practical man. Some facts are rather crudely put: the biting of fleas, the abundance of bedbugs, the detailed list of expenses showing what exhorbitant sums he spent on a wine party could be said in a nicer way.

However, one outstanding feature of the book is its simplicity. The sentences are short, the thoughts rect: these invest the book with a special charm, although the incidents experienced by the author are quite commonplace to any one who knows Russia and the Russians. For those readers looking for a scholarly discussion on Soviet life and ideals this book is frankly not recommended.

The subject "Golden Days of Soviet Russia" is misleading. I had expected a description of the better side of Soviet life, but found the days described were as bad as could be. "Iron Days Of Soviet Russia" will be more appropriate. T. L. E.

Intermarriage and Miscegnation

Race Mixture, by Edward Bydon Reuter; Whittlesey House (McGraw-Hill Book Company, Inc.), New York, 1931. 224 pages, with index.

The sub-title of this book is Studies in Intermarriage and Miscegenation. Its chapters are a collection of papers written by the author at different times and in response to specific requests. Therefore, we find considerable repetition, but on the whole this fact is not a serious drawback to the volume.

Much of the treatment of race mixtures centers around the situation in the United States where white and colored races live together. Only three chapters of the nine in the book concern themselves with broader aspects of racial mixtures, and even these three devote considerable space to the Negro question. "Civilization and the Mixture of Races", "The Hybrid as a Sociological Type", and "The Personality of the Mixed-Bloods" are the chapters giving the broader views of the entire question. "The asumption common to both parties to the controversy over the effect of racial amalgamation on civilization is that culture is somehow a function of race. When it is recognized that this position is untenable, that race and culture are independent facts and processes, the whole controversy is without point. Either purity of race or mixture of race may go with either a superior or a retarded culture. It is, however, an extreme position to assert that racial amalgamation has no cultural significance. In an indirect way the crossing of races is conducive to social change. In its earlier stages at last, the intermixture of races takes place for the most part on the outskirts of the civilization. . . . On the other hand, the social disorder incident to the contact of variant standards and practices is conducive to the violation of the traditional sex tabus, hence is favorable to racial miscegenation. . . . The superior achievement of the hybrids of divergent races over the native element of their racial ancestry is an historic fact too well established to admit of question. Its explanation appears to rest not in the biological fact of mixed blood as such but in the culture contacts and personal mobility consequent upon the mixed ethnic origin. It is the result of a differential treatment determined by the biological fact, and is thus not an evidence of superior capacity but a reasonable measure of superior opportunity. . . . The individuals of mixed blood are not always, nor usually, able to resolve the conflict between personal desires and social tabus. Denied admission to one group, they are unable to accept the alternative, identification with the other. They are unable to sublimate the wishes to effect a socialized realization. Superior in fact and in their psychology to the natives, they are at the same time inferior in fact and in their psychology to the caste from which they desire recognition. . . . The result is a characteristic and clearly defined personality type. It should be emphasized that this personality type is not a biological consequence of racial intermixture, but a socialogical phenomenon resulting from the fact of divided loyalties. . . . The mixed blood is thus an unadjusted person. His immediate group has no respected place in the society. . . . It is only through an identification of himself with the social group to which the social definitions consign him that he can find a tolerable life and develop a wholesome personality."

This whole subject presents many interesting facts for study and contemplation, and the author brings these before his readers with clarity and discrimination.

G. B. S.

密勒氏評論報

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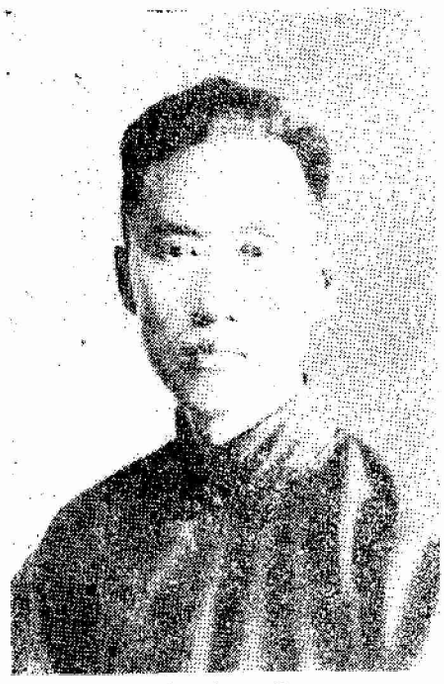
Who's Who in China

Wei Ting-sheng, government official; born at Tsao-yang, Hupeh, 1891; graduated from Harvard University with A.B. degree 1916, and M.B.A. degree 1918; studied in Harvard Graduate School, 1919-20; professor of banking and finance, Government Teachers' College, Nanking 1920-21; professor of banking and finance, Communications University and Yenching University, Peking; economist, Bank of China Head Office, Peking; 1927-28 held various positions in the Ministry of Finance as secretary, commissar of the National Tariff Commission, Acting Director of the Customs Bureau, and chief, tariff division of the Customs Administration; member of the Legislative Yuan, since December 1928; author of "Financial Reconstruction" (Pacific Press, 1929), "A Case Study on the Utilization of Foreign Capital in the Economic Development by the South American A. B. C. Powers" (Commercial Press 1930) and "China's Finance Today" (World Press 1931); address: Legislative Yuan, Nanking.



衛挺生

Wei Ting-sheng (Tingsheng Shengfu Wei)

衛挺生字琛甫，北平人，一八九一年生於湖北棗陽縣，幼留學日本，一九一一年赴美留學於密溪干邦立大學，及哈佛大學，一九一六年得哈佛大學政治經濟科文學士，一九一八年復得理財科商學碩士學位，後在研究院研究財政金融之學二年，民國九年回國，歷教授經濟財政金融之學，於南京高等師範學校，北京交通大學，燕京大學，朝陽大學等校，並任中國銀行總管理處研究調查職務，自十七年冬起任立法院立法委員，所著書有「財政改造，「(太平洋書店)，「南美三強利用外資與國事例」(商務)，「中國今日之財政」(世界書局)等行世，通訊處南京立法院，

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INTERNATIONAL REACTION TO JAPAN'S ATTEMPT TO SEIZE MANCHURIA

(Continued from page 176)

honest why should she not welcome the appearance on the scene of conflict of an observer from the international body of which she is a member and which will help her to get justice it she can show that injustice is being done her? Japan stands self-convicted as an Imperialist power, going outside her international obligations, trampling on peace pacts and solemn undertakings, and taking steps which she hopes will enable her, under false pretences, to "protect" and finally annex Manchuria, the richest section of her impoverished neighbor. But China is aware of these schemes. China may have used blocking methods to delay settlement of some disputes. She is forced to, it is the only real weapon she holds against a strong and unscrupulous foe. If Japan can show a pennyworth of honest intention in Manchuria she can be met by the same open-mindedness from this side of the Yellow Sea and the Yellow peoples can live side by side in peace. But has Japan any honest intentions? Is it a foreign and unknown thing in this modern, pushing, land-grabbing Japan? The facts of Manchuria seem to point unhesitatingly in that direction.

THE JAPANESE OCCUPATION OF MANCHURIA

(Continued from page 180)

as the streets were full of crowds, not very friendly towards the new overlords.

Needless to say, the Japanese, as soon as they took complete control of Mukden, occupied all important Chinese official buildings, as the Headquarters of the Northeastern Frontier Army, the Office of Civil Governor, the Finance Department, all post offices, telegraph and radio offices, government banks, also the Bank of China, the Bank of Communications, the Three Eastern Provincial Bank, the arsenal, the aerodrome, etc., flying over all of them the Rising Sun flag. All these institutions are still being held by the Japanese and there is no telling as to when they will begin to function. All the shops and business houses remain closed; there is acute shortage of vegertables, meat and other products coming from outside. Street traffic, as tramway, buses, begins to revive, although very slowly.

On the 21st a new Municipality of Mukden was appointed, headed by Col. Doihara, who had played so conspicuous a role in the whole affair. It was he who recommended the drastic course of action to military exponents in Tokyo, when he visited the capital on a special summons from the General Staff of the Army. In that he was assisted by Major Shibayama, military advisor to Marshal Chang Hsueh-liang, who was also summoned to the capital prior to the occupation. Col. Doihara is now Mayor of this city and concurrently holds the office of the chief of the special service in Mukden.

Mukden, Sept. 24, 1931.

Hangchow Conference Hangs in the Balance

Present indications are that the Institute of Pacific Relations, which was scheduled to convene at Hangchow beginning October 21 will not convene, at least not in that city, owing to the tense atmosphere created by the Japanese invasion of Manchuria. In the meantime many delegates have been arriving here, among them Dr. Willis J. Abbot, the executive editorial head of he *Christian Science Monitor*, who arrived here during the week, by way of Mukden, he having left that city just the day before the Japanese marched in. According to present plans, in case the Institute does not convene at Hangchow, the various delegates here will hold informal sessions and discuss some, if not all, of the subjects which it had been intended to discuss at Hangchow.

PEACE DELEGATES MEET AT HONGKONG—WILL CHIANG KAI-SHEK RESIGN?

(*Continued from page 174*)

his wife arrived at Hongkong today from Saigon aboard the French Mail Liner *Athos* II. Interviewed, Dr. Wu expressed the hope that peace negotiations between Nanking and Canton Government would result in success, as the foreign menace in Manchuria urgently calls for a strong and united China to cope with the gravest national crisis. He said he is shortly leaving for Canton and will throw his influence in favor of peace. In the afternoon, Dr. Wu attended the first preliminary peace conference between the Nanking delegates consisting of Gen. Chen Ming-chu, Tsai Yuan-pei and Chang Chi and Canton representatives including Wang Ching-wei, Sun Fo and Ma Chi-chun held at the Penninsular Hotel.

Heavy downpours today dampened the ardors of the mobs and nothing untoward happened. Several Anti-Japanese agitators visited Chinese shops, warning the shop keepers not to sell any more Japanese products. A number of Chinese women wearing Japanese materials were molested, but they escaped uninjurd. Twelve Chinese suspects were brought before the Police Magistrate charged with murder of a Japanese named Miyo Yawashita and five members of his family and the case was remainded one week pending further investigations. Numerous minor cases preferred against young Chinese girls for disorderly conduct and stone throwing were also heard before the Magistrate, but they were all dismissed with caution.

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South China Morning Post, Hongkong, (Sept. 18)—Owing to the sudden developments in the East River region, where Swatow is being menaced by a Fukien invasion, the offensive on Chengchow which the Southern military leaders scheduled to take place last Sunday has been indefinitely postponed....An extraordinary report from Canton alleges that Nanking troops retreated to Changsha yesterday, but the Cantonese troops are contemplating to advance further and they are merely consolidating their positions at Chengchow, Yungchow, Leiyang, Yunghing and Yungming which they occupied last week....All regiments under Gen. Hseung Han-ping ordered to evacuate Shuikwan on the North River for Waichow on the East River for the purpose of defending the Chinese section of the Canton-Kowloon Railway with Waichow as defensive line....Two regiments in Canton suburbs, previously ordered to proceed to Northern Kwangtung for advance into Hunan, have postponed their departure by order of Gen. Chen Chi-tang who has also cancelled his trip to the North River on Sunday and will remain in Canton to direct military affairs; some military equipment and ammunition intended for the Armies in Southern Hunan were sent back to Shuikwan yesterday....To meet the threatened invasion of the Nanking forces, the various army units in Southern Hunan are gradually returning to Kwangtung; Gen. Yu Ho-miao's 1st Army evacuated Chingchow on the 16th and the 1st Division has arrived at Shuikwan and the 2nd Division at Lokchong; Gen. Li Yeung-ching's 3rd Army left Leiyang on the 15th, arriving at Chongchow on the 16th and now on their way to Lokchong; the 4th. G.A.C. has also returned from the front and is now being distributed between Yungchow and Chuanchow; the 2nd Army is likewise hurrying back to the East River for defense of Chao-Mei districts, Swatow area being further fortified....Canton telegram explains the recall of the Cantonese troops in Hunan as an indication of the Canton Government's desire to accede to Gen. Chang Hsueh-liang's appeal to unite the country by peaceful means and alleges that Lo Wen-kan, Gen. Chang's envoy at Canton, reached agreement with Canton authorities to the effect that as a reciprocal step of the Canton's recall of troops, he will wire Gen. Chang to ask Gen. Chiang Kai-shek to resign; replying to the joint peace telegram of Wu Tieh-chen, Li Shih-tseng and Chang Chi, Canton Government throws the whole blame for the present civil war on Gen. Chiang Kai-shek and insists upon the latter's retirement....Further depreciation of the Central Bank Notes has been caused which has dropped in value to 60 per cent as a result of tensed situation in East River and over-selling of $6,000,000 worth of the Notes by Chinese speculators at Canton Exchange.... Canton slaughter house merchants petitioned Finance Ministry to be exempted from the new business tax.... Kwangtung Rolled Tobacco Monopoly Bureau officially came into operation last Wednesday and beginning from today, all cigarettes of old and new stock are to be brought to the Bureau for Monopoly certificates to be affixed thereto, failing which, dealers will be fined according to the regulations.

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South China Morning Post, Hongkong, (Sept. 19)—Previous reports of Canton military authorities deciding to postpone the general offensive against Hengchow have been confirmed at Canton, as thousands of Canton troops recently dispatched from East River districts are ordered to return from Hunan to strengthen the defence of Canton and East River regions; heavy troop movements and transportation of military supplies are taking place on the Canton-Shuikwan Railway and Canton-Kowloon Railway (Chinese Section); Cantonese vanguards marching towards Hengchow suburbs are ordered not proceed further; apparently, Canton authorities have decided to shorten the defensive line and wait for attack from Nanking Amies which is unlikely....Three regiments of the 1st Army arrived at Canton from Shuikwan yesterday and are now stationed in he White Cloud Mountain suburbs; 4th Division troops to remain in Sheklung along the Canton-Kowloon Railway for defense of the Railway and Waichow; 1,500 new recruits from Southern Kwangtung arrived at Canton yesterday and will be incorporated into Gen. Chen Chin-tang's 1st Army....With definite postponement of the Expedition to Hunan, 500 coolies enlisted by police for transportation of ammunition in the front have been dismissed and paid off with $1 or $2....Further changes in the disposition of the garrison position in Hunan recorded: 3rd Army Units in Southern Hunan recalled for garrisoning of Lokchong and all regiments of 1st Army evacuated Chenchow for Pingshek; Gen. Yu Han-miao, Tang Shen-chi and Li Yang-ching are all leaving Southern Hunan for Canton to confer with Gen. Chen Chi-tang; Gen. Chang Mui-sum of the 2nd Army declared Fukien troops under Gen. Chu Shao-liang are of "inferior" fighting quality and dare not invade Kwangtung and Kwangtung-Fukien borders well garrisoned; Gen. Chen Chi-tang has summoned a military conference at Canton and telegraphed to various high officers in the front including Tang Shen-chi, Yu Han-miao and others to participate in the deliberations—the conference to deal largely with measures of defense of East River districts; Canton Government is taking no chances and is continuing strengthening garrison in East River region in fear of a Nanking invasion from Fukien; Gen. Heung Han-ping organised new 1st Independent Regiment to be placed under command of Leung Khiok-cheng with headquarters at Kityang....Canton reports claim that Nanking troops at Hengchow and Paoking have retreated northward simultaneously with the withdrawal of Canton troops and the joint withdrawal of both armies is said to be result of Gen. Chang Hsueh-liang's appeal for peace ....The recall of Canton troops from Hunan and the resumption of peace negotiations between Nanking and Canton through Li Shih-tseng, Chang Chi and Wu Tieh-cheng have been capitalized by exchange speculators to spread peace rumors with a view to restoring value of Central Bank Notes to save same from further depreciation....Canton alleges to have received telegram from Gen. Chiang Kai-shek, suggesting as a measure of compromise his relinquishment of civil positions in the Government, but insisting on continuing to function as Commander-in-Chief of Army, Navy and Air Forces with headquarters at Hankow instead at Nanking in order to avoid further political trouble—the report can not be confirmed....Madame Sun Yat-sen, who left Shanghai recently for Penang for reasons of health, may stop at Canton en route to mediate the trouble between Nanking and Canton, but another report says that she is going straight to the Strait Settlements and will not visit Canton.

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South China Morning Post (Sept. 21)—The weekend witnessed the withdrawal of more Cantonese divisions from Southern Hunan to Shuikwan and Canton for garrison duties in Swatow and Chaochowfu in East River Region which are being menaced by a Nanking invasion from Fukien....Gen. Chiang Kai-shek is alleged to have ordered the dispatch of ten gunboats from Nanking to the Fukien coast to convey his crack divisions with a view to invading Eastern Kwangtung and it is further alleged that these divisions will be assisted by four divisions of 20,000 infantry troops under Gen. Chu Chao-liang in Fukien....Regiments of 2nd Cantonese Army under Gen. Heung Han-ping have been summoned to return from Shuikwan for the East River and the units of 1st Army under Yu Han-miao will also be sent to Swatow to re-enforce the garrisons there....Admiral

Chan Chak has been asked by Canton Military Command to dispatch gunboats to East River to assist in the defence ....The First training Division under Gen. Miao Pei-lan has also been ordered to proceed to East River.... Generals Tang Sheng-chi and Li Yang-ching, commanders of vanguards in Southern Hunan, returned to Shuikwan during the weekend, while Gen. Yu Han-miao, Commander of 1st Army, is expected at Canton tomorrow and they will confer with Gen. Chan Chi-tang before proceeding to East River districts....Following withdrawal of various units from Southern Hunan, garrison duties in Northern Kwangtung will be entrusted to 3rd Army under Li Yang-ching who makes Tayuling, located on the border of Hunan, Kwangtung and Kiangsi, as his concentration point....Hsiao Fu-chen, member of Canton Government, declared in press interview yesterday that Gen. Chiang Kai-shek is not in position to attack Kwangtung and his military powers must be curtailed before preliminary peace talks can be proceeded with; he also said that former Kuominchun Commanders in North China are waiting for first opportunity to renew hostilities against Nanking ....Further telegrams from Canton deny rumors of a Nanking invasion from Fukien, as Nanking troops have remained in Fukien. Hunan and Kiangsi without taking any offensive measures....Chang Tse-ying, alleged representative of Fukien military leaders and various civil bodies, arrived at Hongkong yesterday en route to Canton, his mission being to welcome Sung Yuan-Yuan, special Commissioner of Canton Government for Fukien, to Fukien and to take over control of the province....In order to raise funds for the war chest, Canton Government decided to increase passenger and freight charges of Kwangtung railways, but to make an exemption of Canton-Kowloon Railway.

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South China Morning Post (Sept. 22)—The Manchurian Affair brought about a complete lull in the military situation on the Kwangtung-Hunan frontier and the Canton expedition to Hengchow is definitely postponed; various divisional and regimental commanders in the front are returning to Canton to attend a big military conference to be held some time this week; Hsu Chung-chi, member of Canton Government Council, who has been in Hongkong on sick leave, is expected to return to Canton to participate in the Conference; 1st and 4th Air Squadrons at Shuikwan have also been recalled and part of these will be dispatched to East River districts; Canton is confident that with sudden developments in Manchuria, Gen. Chiang Kai-shek is not in a position to organise an offensive against Canton at present....Meanwhile, peace negotiations between Canton and Nanking are making headway and in view of the Japanese outbreak in Manchuria which calls for a united China to cope with the situation, the Canton Government Council officially announced the recall of the Cantonese troops in Southern Hunan and decided to issue a circular telegram, urging the unification of the country and demanding the resignation of Gen. Chiang Kai-shek....Canton claims to have received an urgent appeal from the Central Executive Committee at Nanking imploring immediate cessation of hostilities between Nanking and Cantone forces in Hunan; the appeal, after referring to the unprecedented flood disaster in China and Japanese outrages and wanton destruction in Manchuria, concludes with the statement that at no time has China in her history faced a more dangerous situation than at present and also at no other time in Kuomintang history has there been so urgent a necessity for the various leaders to sink their personal differences and unite their efforts to save China from her present crisis.

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South China Morning Post (Sept. 23)—Following the dramatic appeal of Nanking's Central Executive Committee of Kuomintang, the peace prospects between Nanking and Canton are brighter than ever and military activities on all fronts have been completely suspended at least for the time being....The Canton Government has issued an important circular telegram, advocating the summoning of a national unification conference with a view to forming a new Nationalist Government at Nanking and as a compromise, the Canton leaders propose that they are ready to abolish the Canton Government, provided that General Chiang Kai-shek pledges to relinquish his military posts; a similar telegram has also been addressed to Gen. Chang Hsueh-liang, asking him to supply more detailed information concerning the incidents leading up to the Manchurian Crisis and proposing the immediate abolition of the title of Commander-in-Chief for the Central Government, the supreme command to be taken over by a Military Council....In spite of the modified atttitude of the Canton leaders toward Gen. Chiang Kai-shek, there are certain obtacles in the way of an immediate peaceful settlement of various issues: Canton is demanding that the 4th Kuomintang National Congress be summoned at once at Canton to settle outstanding party and military disputes and the Congress should define the powers of Gen. Chiang Kai-shek and decide the work he should do for the National Government, on the other hand, Nanking peace makers hold that the Congress should be held at Nanking or Shanghai; however, Southern leaders including Wang Ching-wei and Chan Chi-tang have expressed their willingness to treat with the peace mediators and their intention to settle their disputes with Nanking by peaceful means is confirmed by the withdrawal of various Canton and Kwangsi units from Southern Hunan—complete tranquility prevailed on the Kwangtung-Hunan frontier during the weekend.... Among numerous peace suggestions is one recommending the election of Sun Fo to head the Administrative Yuan at Nanking which post is being now held concurrently by Gen. Chiang Kai-shek and Wang Ching-wei to reorganise the Kuomintang,....With definite cessation of the Expedition to Hunan and resumption of peace talks, censorship on telegrams and dispatches instituted by Canton Military Council, has been lifted.

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South China Morning Post (Sept. 24)—Peace negotiation between Nanking and Canton continues to make progress and in conformity of the Canton Government's decision to adopt a united stand against the Japanese aggression, Gen. Chan Chi-tang has sent an unofficial invitation to Gen. Chen Ming-chu, whom he ousted from his office as Chairman of Kwangtung thus causing an open breach between Canton and Nanking, to Canton to participate in the administration of the province; Personnel changes in Kwangtung Provincial Government are pending and ranking commanders under Gen. Chan Chi-tong unanimously recommend and advocate election of Sun Fo as chairman, Chen Shu-jen, Leftist politician, as Commissioner of Civil Affairs and Feng Chu-wan as Commissioner of Finance....Canton continues efforts to purchase more arms and ammunition and a Chinese report says that several foreign arms brokers were seen at Shameen negotiating with Canton officials, their alleged deals being estimated to total $4,000,000....C. C. Wu, Ex-Chinese to Washington, arrived at Rangoon, Burma, accompanied by his family, en route to Canton.

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South China Morning Post (Sept. 25)—The grave developments in Manchuria have intensified the desire of both Nanking and Canton Governments to cease war preparations and to come to immediate peace terms in order to present a united front against Japan....Canton Government received a message from Nanking this morning, stating that Gen. Chen Min-chu, accompanied by Tsai Yuan-pei and Chang Chi is on the way to Canton representing Gen. Chiang Kai-shek on a peace mission and inviting the Southern political and military leaders to proceed immediately to Shanghai for a peace conference ....Regarding Southern Governmen's demand for abdication of Gen. Chiang Kai-shek, Canton report alleges that Gen. Chiang has consented to issue a proclamation relinquishing his civil posts sometime next week; he will resign from his presidency of Executive Yuan which, the report states, will be handed over to Hu Han-min, however, he has expressed his determination to retain his military posts, though he has consented to modify his powers as Commander-in-Chief which title may be abolished immediately....Right Wing leaders in Canton express approval of Nanking's suggestion to restore Hu Han-min to his former seat in the Nanking Government and urge him to emerge from retirement....Gen. Chang Hsueh-liang has wired Canton leaders, urging them to modify their demand for the immediate resignation of General Chiang Kai-shek which, he says, is unsuitable for the occasion and should not be made at such a time of national crisis; further, the telegram states, even were Chiang's resignation brought about and a new Government formed, there is still the question of obtaining foreign recognition —these views are causing much dissatisfaction in Canton ....Generals Chen Ming-chu, Chiang Kwang-nai and Tsai Ting-kai, commander and division commanders of 19th Route Army now stationed in Kiangsi, have issued a joint telegram appealing for an immediate settlement of political differences between Nanking and Canton and urging Generals Chiang Kai-shek and Chan Chi-tong to meet in person in a peace conference.

Latest New York Stock Exchange Quotations

Market: Weak **Business Done 2,900,000 Shares**
September 30

1930-1931 High	Low	Div $ perSh.	STOCKS	Mon. Sept. 28	Tues. Sept. 29
23½	8¼	1.00	Adams Express	8¾	8⅜
182¾	86½	*6 00	Allied Chemical & Dye	86½	84¾
42¾	15½	2.00	Allis Chalmers	15⅝	15⅜
129¾	76⅞	4.00	American Can	77½	76½
51¾	14⅝	—	American & Foreign Power	14⅝	13½
31½	8⅛	—	American & For. Power W.	8⅛	7¼
58½	20½	2.00	American Smelting	25½	24½
201¾	135½	9.00	American Tel. & Tel.	135¾	134
182¾	89⅛	*5.00	American Tobacco "B"	9, ¼	87
80¾	30¾	3.00	American Waterworks	30¾	28¼
43¼	15½	1.50	Anaconda Copper	16⅜	15⅝
87⅞	33¼	5.00	Baltimore & Ohio	34	33⅞
70⅜	30¼	2.00	Bethlehem Steel	30¼	29¾
76½	44⅜	*3.00	Borden Company	45¼	42⅜
39¾	12½	1.00	Borg Warner	13¼	12¼
45⅜	13¾	1.25	Canadian Pacific Railway	16	15⅛
131½	43¼	—	Case J. I.	43¼	39
54⅛	21¾	3.00	Chesapeake Corp	22⅛	21½
25¾	12⅛	1.00	Chrysler	13	Unq.
20¾	7	*.30	Cities Service, Co.	7⅝	7⅛
45⅝	20	2.00	Columbia Gas & Electric	20½	19
16⅝	2⅞	.75	Columbia Graphaphone	4¼	4
12	5⅛	.40	Commonwealth & Southern	5¼	5⅛
2¾	1	—	" " warr.	1	⅞
109⅝	71⅞	4.00	Consolidated Gas. of N. Y.	71⅞	69¾
12	5	—	Continental Oil	6⅜	6⅛
86⅜	47¾	*3.00	Corn Products	42⅝	41¾
3⅞	2	—	Curtiss Wright Co.	2	2
78¾	57	4.00	Drug Incorporated	57	53
107	64½	4.00	Du Pont de Nemours	94½	60⅜
185¾	104	*5.00	Eastman Kodak	104	99½
61	19	6% S	Electric Bond & Share	20⅛	19¼
38⅜	9	2.50	Fox Film "A"	9	8½
54¾	30	1.60	General Electric	30½	28⅜
56	39	3.00	General Foods	39	37½
48	26⅝	3.00	General Motors	26⅜	24⅛
84⅛	32½	5.00	General Railway Signal	33	30
38¾	10½	—	Gillette	12¾	12¼
42½	19	2.50	Gold Dust	20¾	19⅞
20⅞	7	—	Goodrich Rubber	7	6⅞
52¾	26⅜	3.00	Goodyear Tire & Rubber	26⅜	24
22⅝	8¼	1.00	Granby	9¼	8⅛
62½	21	4.00	International Cement	21	19½
4	1	—	International Combu. Eng.	1	1
60½	27⅜	2.50	International Harvester	27½	26¼
20⅛	8½	.60	International Nickel	8⅞	8½
38¾	15⅝	1.00	International Tel. & Tel.	16⅞	16¼
80¾	38⅝	3.00	Johns Manville	38⅝	37
31½	11⅝	1.00	Kennecott	13½	12¼
27¾	7¼	1.61	Kreuger & Toll	6⅞	5⅛
91	52½	*4.00	Liggett & Myers, "B"	52½	51
63½	36⅛	3.00	Loew's: Inc	37½	35⅝
21⅞	11⅜	—	Lorillard P Co. (com.)	12½	12
19	7	—	Ludlum Steel	7¾	7
29¼	12	—	Montgomery Ward	12	11½
40⅞	17⅜	4.00	Nash Motors	17⅜	17
14¾	6	1.00	Nevada Consolidated Co.	6	6
132¼	59⅛	4.00	New York Central	62	61⅜
11	4⅜	—	North American Aviation	4⅝	Unq.
54⅞	35	2.00	Pacific Gas & Electric	35	33¾
11⅞	5	.40	Packard Motor	5⅛	5
50¼	13½	2½%S	Paramount—Publix Corp	13½	12½
64	31¾	3.00	Pennsylvania Railroad	32¾	32⅛
8½	4⅜	.20	Pennroad Corporation	4½	4⅜
16⅝	4¾	—	Phillips Petroleum	6	5½
96	61	3.40	Public Service of N. Jersey	61	58
27½	12	—	Radio Corporation	14⅛	13½
24½	9	—	Radio-Keith Orpheum	9	8½
54½	40⅛	3.00	Reynolds Tobacco "B"	40	39¾
63¼	40⅞	*2.50	Sears Roebuck	40½	38½
10¼	4⅛	—	Shell Union	4⅛	4
23⅜	10⅛	—	Simmons Company	11½	11⅛
26½	13⅞	1.60	Socony-Vacuum Corp.	14¾	14
54½	33¾	2.00	Southern California Edison	34⅝	33
88⅜	39½	3.50	Standard Gas & Electric	39½	38½
53½	30⅝	*1.00	Standard Oil of N. Jersey	31¼	30⅝
36¼	18	2.00	Texas Corporation	18⅝	17¾
55¾	25	3.00	Texas Gulf Sulphur	26⅛	24½
18	4	.40	Trans America	4¼	4⅛
72	43½	2.60	Union Carbide & Carbon	34½	33⅝
205⅛	110½	10.00	Union Pacific Railway	116½	114½
38⅞	16⅞	—	United Aircraft & Transp't	16⅞	15½
31	14⅝	.75	United Corporation	14⅜	13½
37½	22½	1.20	United Gas Improvement	22⅜	22
20⅜	7⅛	—	U.S. Rubber	7⅜	7⅛
152⅜	75⅛	4.00	U.S. Steel	75⅜	72⅛
76¾	17	—	Vanadium	17⅝	17
20⅜	4¾	—	Warner Bros. Pictures	7	Mut.
107¾	45¾	2.50	Westinghouse E. & M.	46¼	44
72⅝	52	2.40	Woolworth	53¾	50⅛
*plus extras			Call Money	1½%	1½%

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American-Oriental Finance Co.'s Quotations

1931 High	Low	Book Value	Par Value	Div.	Stocks	Earn. 1930	Estimated Earn. Full Year 1931	PRICE Mon. Sept. 28	Tues. Sept. 29	Current Yield
109⅝	62¾	40	no	3.00	Air Reduction	6.32	4.75	64½	62¾	4.8
60	40½	137	100	5.00	Amer. Sugar Refining	6.24	4.00	42	40½	12.3
43	17⅛	16	no	3.00	Canada Dry Ginger Ale	4.43	4 45	18	17⅛	16.7
52½	14¼	22	no	3.00	Caterpillar Tractor	4.63	1.50	15	14½	21.0
62¾	36⅝	43	no	2.50	Continental Can	5 04	4.00	37⅝	36⅝	6.8
18	3¾	—	no	—	Coty, Inc.	0.86	- -	4¾	3¾	- -
23	14	22	no	1.00	Diamond Match	1.59	1.25	14¾	14	7.1
74⅝	24	17	no	6.00	Elec. Auto Lite Co.	5.32	5 00	27½	24	25.0
60¾	22	37	no	1.00	Elec. Power & Light	2.56	2.85	23⅞	22	4.5
7	4¾			.222†	F'damental Trust "A"			5	4¾	10.0
7¼	5⅛			0.30†	F'damental Trust "B"			5¼	5⅛	12.0
73⅛	46	65	no	4.00	Gen. Amer. Tank Car	7.95	6.00	47¼	46	8.7
16¼	6¾	24	100	—	Int. Printing Ink	6 84	.10	7¾	6¾	- -
43⅞	18¾	71	no	2.00	Mack Trucks	2.60	nil	20¼	18¾	11.1
83¾	39	17	10	2.80	Nat'l Biscuit	3.41	3.00	41	40½	6.1
39¾	18	29	no	—	Nat'l Cash Register	3.00	2.00	19⅞	18	- -
50¾	23¼	15	no	2.60	Nat'l Dairy Products	4.11	3.50	24	23¼	10.9
88	38¼	22	no	10% S	North American Co.	4.16	4 00	42	38¼	10%
59½	24	24	50	2.50	Otis Elevator	3.44	2.95	25⅛	24	10.4
65¼	38⅝	40	no	5.00	Safeway Stores	9.02	5.50	51½	49⅛	10.2
67¾	37½	74	no	4.00	United Fruit	6.76	4.24	38¼	38	10.5
86¾	11	63	no	1.00	U. S. Realty & Imp.	4.42	1.15	11	11	9.1

† — Interim Div.—6 months
S — Stock div.

Exchange Circular for the week ending Wednesday, 23rd September 1931.

Some affairs of very great importance have taken place this week, notably the suspension of the Gold Standard Act in Great Britain causing the raising of the Bank of England's rate of discount to 6%, the occupation of Mukden and many other towns in Manchuria by Imperial Japanese Troops, Bringing an appeal to the League of Nations for assistance by China.

All these occurences had an immediate effect on the market here and very considerable rises have taken place. It cannot be said what effect ultimate results will eventuate, but a robust belief in the strength and solvency of Great Britain is being expressed at home and abroad. As to affairs in Manchuria, these may have grave consequences in the future for Far Eastern diplomacy.

Silver:—Opened on the 17th inst. at 13d for spot and 13 1/16d. forward and G, $ 0.27 7/8 and closes today at 15 5/8d, and 15 1/2d. and G. o.28 5/8.

India was a small buyer; China has both sold and bought; America has sold moderately. Late in the week speculators bought heavily and bear sales were covered.

Exchange:—The T/T official rate on London on the 17th inst. was 1/2 7/8d; lowered to 1/2 3/4d. on the 18th; on the 19th raised to 1/2 7/8d: on the 21st to 1/3 3/8: on the 22nd to 1/5d. subsequently lowered to 1/4 1/4d but again today at 1 5d

The market opened on the 17th inst. at 1/3d. and G. $ 30 3/8 for T/T on London and New York and Yen 162 1/4: 4 m/st Cr. 1/3 3/4d. and G. $.30 7/8: Gold Bars 769. Rates were somewhat erratic, and after rising 1/8 and 1/8 respectively, eased to original level, and closed at 1/2 1/16d. and G. $ 39 1/4: Gold Bars finished nt 770.70.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 73,111,000 a decrease of Tls. 1,107,000
Chineese and Mexican Dollars $ 182,400,000 an increase of $290,000
Estimated value Tls. 204,439,000 as against Tls, 219,289,000 held at this time last year

†	Average rates for Aug.	Thursday Sept. 17	Friday Sept. 18	Saturday Sept. 19	Monday Sept. 21	Tuesday Sept. 22	Wed. Sept. 23
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/2 540	1/2 7/8	1/2 3/4	1/2 7/8	1/3 3/8	1/5 1/4 3/4	1/5
D/Dfts ,,		1/2 7/8	1/2 3/4	1/2 7/8	1/3 3/8	1/5 1/4 3/4	1/5
4 m/s ,,	—	1/2 15/16	1/2 13/16	1/2 15/16	1/3 1/16	1/6 1/16 1/4 13/16	1/5 1/16
T/T on India	81,670	83 3/4	83	83 1/2	86 1/2	86 1/2 nom.	nom.
T/T on France	750,440	768	761	768	792	728 717	755
T/T on N.Y.	29,440	30 1/8	29 7/8	30 1/8	31	30 1/4 30	29 3/4
T/T on Demand		30 1/8	29 7/8	30 1/8	31	30 1/4 30	29 3/4
T/T on Hamburg R. M.		12-1/2	126 1/2	127	131	127 125	131
T/T on H'kong	80.352	79 1/16 nom.	79 3/4 nom.	79 1/16 nom.	79 3/4 nom.	78 1/2 no. 78 1/2	78 1/2 nom
T/T on Japan	68.000	164	165 1/2	164	159	161 1/2 158	165 1/2
T/T on Batavia	72 940	74 1/2	74	74 1/2	77	70 1/2 69 1/2	70 1/2
T/T on Straits	190 850	187	188	187	180 1/2	163 1/2 166	164
Bk's buying rates 4 m/s B/L.							
Cred.&D/A	1/3.415	1/3 3/4	1/3 5/8	1/3 3/4	1/4 3/8	1/6 1/2 1/6	
4m/s B/L D/P	—	1/3 7/8	1/3 3/4	1/3 7/8	1/4 1/2	1/6 5/8 1/6 1/2	
6m/s ,, B/L Cred&D/A	1/3 665	1/4	1/3 7/8	1/4	1/4 5/8	1/6 3/4 1/6 1/2	
4m/s B/F Cred D/A or D/P	797.80c	815	805	815	835	800 780	
4m/s N.Y.Lc.	31.190	31 7/8	31 5/8	31 7/8	33	33 1/2 86	
4m/s ,, Docs.	—	32 1/8	32 1/8	32 1/8	33 1/4	33 3/4 36 1/2	

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Sept. 17	Sept. 18	Sept. 19	Sept 21	Sept 22	Sept. 23
Bullion,						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence						
**New York Price of Bar Silver per oz. (Pure)	13	12 7/8	12 3/4	12 15/16	14 3/8	15 3/8
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	G.$ 27 7/8	G.$ 27 5/8	G.$.27 1/2	G.$.27 3/4	G.$.	G.$ 28 5/8
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	Tls. 770 00	Tls. 779 50	Tls 766 00	Tls. 706 00	Tls. 693 50	Tls. 698 00
Shanghai Mexican Dollars per $100	Tls. 112 40	Tls. 112 50	Tls. 112 60	Tls. 112 50	Tls. 112 60	Tls. 112 50
Native Bank Rate of Interest (Call money)	72.4 1/2	72.4625	72.4625	72.4 3/8	72.6	72.5125
†Closing Price in London for Previous day	1%	1 1/2%	1 1/2%	2%	3 1/2%	5%
**Closing Price in New York for Previous day						

Bank of England rate of discount	6%	London on Paris	T/T 10/.25
Bank of France rate of discount	2%	New York on London	T/T 4.20
London open Market of Dis. 3 m/s	5 3/4%	Bombay on London	T/T no quo.
,, ,, 4 ,,	5 3/4%	Hongkong on London	T/T 1/1 1/4
,, ,, 6 ,,	6%	Kobe on London	T/T 2/3 1/16

FEARON, MAITLAND and SHAW

The National City Co. Gold Bond Quotations Received From Head Office

September 24, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	51	—
City of Antwerp	5 % Dec. 1, 1958	95	5.35
Argentine Government	6 % May 1, 1960	37	—
Canadian National Railway Co.	5 % Oct. 1, 1969	96	5.24
Chile Government ..	6 % Jan. 1, 1961	13 1/2	—
City of Vienna	6 % Nov. 1, 1952	67 1/8	9.64
City of Yokohama ..	6 % Dec. 1, 1961	92 3/4	6.56
German General Electric (A. E. G.)	6 % May 1, 1948	49 1/2	—
German Central Bank for Agriculture.. ..	6 % Apr. 15, 1938	46 1/2	—
Greek Government ..	6 % Feb. 1, 1968	54	11.30
Japanese Government	6 1/2% Feb. 1, 1954	100 1/2	6.46
Kingdom of Italy.. ..	7 % Dec. 1, 1951	90	8.01
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	11	—
Nord Railway Co. ..	6 1/2% Oct. 1, 1950	105 1/2	6.01
Norwegian Hydro-Elec. Nitrogen Corp.. ..	5 1/2% Nov. 1, 1957	75	7.75
Oriental Development Co..	5 1/2% Nov. 1, 1958	82 1/2	6.94
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	100 1/2	6.96
Republic of Costa Rica (Pacific Rwy.)	7 1/2% Sept. 1, 1949	55	—
Republic of Finland ..	5 1/2% Feb. 1, 1958	57 3/4	10.07
Republic of Peru ..	6 % Dec. 1, 1960	9 1/2	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	47 1/8	—
Saxon Public Works ..	6 1/2% May 1, 1951	26 1/2	—
Saxon State Mortgage Institution	6 1/2% Dec. 1, 1946	34	—
Toho Electric Power Co. Notes (Japan)	6 % July 1, 1932	96 1/4	10.03
Tokyo Electric Light Co. (Japan)..	6 % June 15, 1953	66	9.79
Ujigawa Electric Power Co. (Japan)	7 % Mar. 15, 1945	93 7/8	7.74
U. S. of Brazil	6 1/2% Oct. 1, 1957	19	—
Anaconda Copper Mining Co.	Common Stock	16 1/2	—
Baltimore & Ohio Railroad Co.	Common Stock	39 1/8	—
Belgian National Rway. Pcptg. Pfd. Stock ..	6 % (Amn. Shares)	70	—
Pennsylvania Railroad Co.	Common Stock	36 3/4	—
Socony-Vacuum Co ..	Common Stock	16 5/8	—
United Aircraft and Transport Corp. ..	Common Stock	19 3/4	—
Chicago Rapid Transit Co.	6 1/2% July 1, 1944	48	—
Cuban Dominican Sugar Corp.	7 1/2% Nov. 1, 1944	7	—
Pennsylvania - Dixie Cement Corp.	7 % Cum. Pfd. Stock	8	—
State of Minas Geraes Series "A"	6 1/2% Sept. 1, 1959	17	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	68	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	59 1/2	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	57 1/2	—
Chinese Govt. (Crisp Loan)	5 % 1912	40	—
Shanghai Nanking Railway	5 % 1904/08	40	—
Shanghai Hangchow Ningpo Railway ..	5 % 1908/38	75	—
Hukuang Railway ..	5 % 1911/1951	22 1/2	—
Tientsin Pukow Railway	5 % 1908/09	17	—

NOTE: The above quotations are received by cable and whilst believed to be correct, are not guaranteed.

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What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs Pieces; Mille—thousands;

EMPRESS OF CANADA, August 5.

(Agents: Canadian Pacific S.S.Co. Ltd.)

From U. S. of America.

Flour, Wheat	*Pls.*	1,837
Oranges, Fresh	,,	41
Motor-cars	*Pcs.*	5
Rubber Tires, Pneumatic:		
For Motor-cars	*Pcs.*	25

PAT DOHENY, August 5.

(Agents: States S. S. Co.)

From U. S. of America

Oil, Lubricating, Mineral	*Galls.*	4,960

PRESIDENT GRANT, August 6.

(Agents: Robert Dollar Co.)

To U. S. of America.

Tea, Black:		
Other kinds, Kiukiang	*Pls.*	30
,, ,, Hankow	,,	13
Silk Piece Goods	,,	2 79½
Silk, Raw, Reeled from Doupions:		
Shanghai ..... *Bls* 21	*Pls.*	19.79
Silk, Raw, Steam Filature:		
Yellow, Chungking, etc. *Bls.*10	,,	10.16
Bristles, Assorted	,,	12
Feathers, Duck	,,	50
Feathers Goose	*Pls.*	75
Mats, Rush	*Pcs.*	24,000
Skins, Dog, Tanned	,,	491
,, Weasel, Untanned	,,	1,100

PRESIDENT MADISON, August 7.

(Agents: Robert Dollar Co)

From U. S. of America.

Woollen Felt	*Yds.*	78
Apples, Fresh	*Pls.*	15
Canned Asparagus	,,	73
,, Awabi	,,	254
,, Fruits	,,	12
Coffee	,,	8
,, Beans	,,	10
Ink, Printing	,,	97
Oranges, Fresh	,,	75
Paper, Wall	,,	38
,, Unclassed	,,	20
Sulphur Black	,,	162
Aeroplanes	*Pcs.*	4
Bedsteds	,,	40
Motor-cars,	,,	13
Motor-trucks, Chassis of	,,	3
Rubber Inner Tubes:		
For Motor Cars & Trucks	,,	44
Rubber Tires, Pneumatic:		
For Motor Cars & Trucks	,,	167
Cigarettes	*Mille*	180
Lemons,	,,	82
Enamels	*Galls.*	42
Oil, Lubricating, Mineral	,,	10,391
Paints	,,	201
Varnishes	,,	213
Enamelled Ironware	*G. Units*	502
Infants' Foods	,,	394
Machinery	,,	22,355
Motor Cars and Trucks, Parts of	,,	9,251
Treasure:		
Silver Bullion ..... *Hk.Tls.*		22,797

PRESIDENT LINCOLN, Aug. 7

(Agents: Robert Dollar Co.)

From U. S. of America.

Cotton Yarn, Mercerised	*Pls.*	18
Aluminium Sheets	,,	14
Copper Ingots	,,	3,528
Flour, Wheat	,,	810
Hay	,,	27
Paper, Bond	,,	420
Hats, Felt	*Doz.*	32
Timber, Softwood:		
Ordinary, Sawn	*Sup ft.*	496,426
Clear	,,	111,579

ATAGO MARU, August 8.

(Agents: Nippon Yusen Kaisha.)

To U. S. of America.

Tea, Green:		
Young Hyson, Hangchow	*Pls.*	11
Gunpowder, Ningpo	,,	633
Silk, Waste:		
Chefoo *Bls.*107	,,	360.70
Shanghai ..... ,, 20	,,	66.18
Silk Cocoon Strippings:		
Shanghai *Bls.*18	,,	56.17
Brassware	,,	61
Hides, Buffalo	,,	313

SUNNANVIK, August 8.

(Agents: Melchers & Co.)

To U. S. of America.

Tea, Black, other kinds, Kiukiang	*Pls.*	287
Tea, Green:		
Gunpowder, Ningpo	*Pls.*	322
Silk, Raw, Steam Filature:		
Yellow, Tsingtao *Bls.*10	,,	9.70
Silk, Raw, Reeled from Doupions:		
Shanghai ..... *Bls.* 5	*Pls.*	4.86
Brassware	,,	55
Bristles, Assorted	,,	150

GOLDEN SUN, August 10.

(Agents: States S. S. Co.)

To U. S. of America.

Silk Pongees, Honan	*Pls.*	41
Seed, Sesamum	,,	6,660

BRYNJE, August 11.

(Agents: Furness (Far East), Ltd.)

From U. S. of America.

Timber, Softwood:		
Merchantable	*Sup.ft.*	68,643
Ordinary, Sawn	,,	750,119

PRESIDENT JEFFERSON, August 11.

(Agents: Robert Dollar Co.)

To U. S. of America.

Tea, Black, other kinds, Kiukiang	*Pls.*	98
Tea, Green:		
Young Hyson, Hangchow, etc.	,,	398
Hyson, Hangchow	,,	134
Gunpowder, Ningpo	,,	823
Other kinds, Shanghai	,,	1
Silk, Raw, Steam Filature:		
White, Shanghai *Bls.*20	,,	20.08
Silk Pongees, Honan	,,	41.70
Brassware	,,	62
Feathers, Duck	,,	10
,, Goose	,,	6
Hats, Hemp	*Pcs.*	600
Skins, Lamb, Untanned	,,	2,000

MEMPHIS CITY, August 13.

(Agents: U. S. Steel Products Co.)

From U. S. of America.

Iron and Steel, Ungalvanized:		
Pipes	*Pls.*	384
Sheets, under ⅛ in. thick	,,	1,341
,, Pilings	,,	709
Tubes	,,	951
Tinned Plates, Plain	,,	9,540
Iron and Steel, Galvanized:		
Tubes	,,	713
Shee s, Plain	,,	3,026
Steel, Bamboo	,,	2,008
Gum Resin	,,	3,529

MONTREAL MARU, August 13.

(Agents: Showa Shipping Co.)

From U. S. of America.

Cotton, Raw:		
American *Bls.* 1,717	*Pls.*	6,388
Paper, Bond	,,	525
,, Chipboard	,,	4,268
Wheat	,,	72,150
Timber, Softwood:		
Ordinary, Sawn	*Sup.ft.*	301,200
Pipes	,,	285,098

BORDEAUX MARU, August 15.

(Agents: Showa Shipping Co.)

From U. S. of America.

Paper, Chipboard	*Pls.*	173
Timber:		
Logs, Hardwood	*Sup.ft*	96,098
,, Softwood	,,	222,137

BORDEAUX MARU, August 15.

(Agents: Showa Shipping Co.)

From U. S. of America.

Raisins	*Pls.*	1,312
Wheat	,,	71,250
Oil, Lubricating, Mineral	*Galls.*	250
Timber, Softwood:		
Logs	*Sup.ft.*	38,734

EMPRESS OF CANADA, Aug. 17.

(Agents: Canadian Pacific S.S.Co. Ltd.)

To U. S. of America.

Silk Piece Goods	*Pls.*	0.85
Silk, Raw, Steam Filature:		
White, Shanghai *Bls.* 160	,,	159.96
Yellow, Hankow, etc. *Bls.*10	,,	9 82
Silk, Raw, Reeled from Doupions:		
Shanghai *Bls.*10	*Pls.*	19.85
Skins Raccoon, Untanned	*Pcs.*	1,000

EMPRESS OF RUSSIA, Aug. 17.

(Agents: Canadian Pacific S.S.Co. Ltd.)

From U. S. of America.

Bronze Powder	*Pls.*	75
Cobalt, oxide of	,,	8
Rubber Tires, Pneumatic:		
For Motor-cars & Trucks	*Pcs.*	67
Rubber Inner Tubes:		
For Motor Cars and Trucks	,,	38

SANYO MARU, August 18.

(Agents: Osaka Shosen Kaisha.)

From U. S. of America.

Cotton, Raw:		
American, *Bls.*2,490	*Pls.*	8,715
Babbitt's Metal	,,	101
Iron and Steel, Ungalvanized:		
Tinned Plates Plain	*Pls.*	889
Petrolatum	,,	131
Tobacco, Leaf	,,	613
Wax, Paraffin	,,	840

CHINESE PRINCE, August 19.

(Agents: Furness (Far East), Ltd.)

From U. S. of America.

Cotton Canvas	*Yds.*	165
Brass Wire	*Pls.*	49
Iron and Steel, Ungalvanized:		
Sheets	*Pls.*	351
Tinned Plates, Plain	,,	7,789
Steel, Structural	,,	203
Borax	,,	84
Dextrine	,,	462
Glucose	,,	406
Grease Lubsicating Mineral	,,	88
Tobacco, Leaf	,,	3,080
Vegetable Fats	,,	11
Wax, Paraffin	*Pls.*	228
Motor-cars	*Pcs.*	1
Oil, Lubricating, Mineral	*Galls.*	11,552
Machinery	*G. Units.*	10,611

LIBERATOR, August 20.

(Agents: Lloyd Everett, Incorporated.)

From U. S. of America.

Iron and Steel, Ungalvanized:		
Sheets	*Pls.*	1,917
Iron and Steel, Galvanized:		
Sheets, Plain	,,	2,101
Steel, Bamboo	,,	419
Oil, Lubricating, Mineral	*Galls.*	5,295

TANTALUS, August 21.

(Agents: Butterfield & Swire.)

From U. S. of America.

Iron and Steel, Ungalvanized:		
Sheets	*Pls.*	1,481
Tinned Plates, Plain	,,	370
Iron and Steel, Galvanized:		
Sheets, Plain	,,	1,941
Cotton, Raw:		
American, *Bls.* 1,500	,,	5,363
Grease	,,	91
Soda, Crystal	,,	64
Tobacco, Leaf	,,	2,966
Motor Passenger Cars	*Pcs.*	11
Sand-paper	*Reams*	9
Oil, Lubricting, Mineral	*Galls.*	26,220
,, Transformer	,,	1,000
Motor-cars, Parts of	*G. Units*	2,462
Dyes, Aniline *Pkgs.* 50	,,	2,527
Treasure:		
Silver Bars	*Hk. Tls.*	135,564

TAIYO MARU, August 21.

(Agents: Nippon Yusen Kaisha)

To U. S. of America

Tea, Black other kinds, Kiukiang	*Pls.*	14
Tea, Green, Gunpowder, Ningpo	,,	47

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

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From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

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